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Bank Account As Credit Indicator

The Banker Knows When You Are Making Money

By Allen F. Wright

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HOW many of you have approached your banker with this proposition, "If you will lend me this money, I can make far more than I can now make." Or, "If I can but borrow enough money to buy in a new stock of goods at present prices I will be able to pull through and get going again."

Bankers are all the time confronted with just such general propositions as these. It seems hard to the young business man that the banker should come back, as he usually does, with the answer, "Very good, but how much of your own money are you risking?"

Let us consider the situation of a young real estate dealer who enjoys the reputation of being shrewd and clever,—who is pointed out as a "comer" in the business world, as a man who has put over several "big deals,"—who wants to borrow \$10,000 with which to close an option on some real estate. He has some ready cash, but the banker finds that he has the inveterate habit of overdrawing his account, that he lets his bills go unpaid for months and is inclined to rush into deals on snap judgment with unseemly haste, trusting to luck to pull him through. In such case the banker forms his conclusion without long deliberation. It is part of a rational protection of all concerned that he act with the utmost caution in lending such a man money for any purpose whatsoever, except upon the most substantial collateral security. Until he believes in him more fully he cannot trust him.

CREDIT A SENSITIVE PLANT

One's credit is like a delicate plant that is easily withered. It responds to the smallest influences and is strengthened or injured by the most insignifi-

cant happenings. Let every business man remember that his banker watches him; knows his methods; knows whether he is honest or unprincipled; knows whether he is making money or not; can tell by his bank account how he stands with his creditors. And, the things which the depositor does in his dealings with the banker impress him as clearly as the seal makes its impression on the wax.

What you do in one bank gets quickly back to another, for banks exchange information readily for the common good. The banker measures men by an analysis of what they do and not by what they think they are. Until you have established yourself in the mind of your banker you cannot expect him to lend you money.

The business man gives a vivid portrayal of the story of his business in his bank account. A prosperous business is reflected in the good bank balance, and a decadent business in the absence of it. Here, for instance, is the account of a retail hardware store. It is doing an extensive business. The balance is always around \$5,000. No check ever goes back marked "insufficient funds." The proprietor takes on another store. The banker knows nothing of the terms or the possibilities. Perhaps he has a loan in the name of the parent store that he considers safe. Soon he notices that the balances are being pulled down. Checks are returned short. Overdrafts appear. Instinctively he knows that the new venture has proven profitless. A cursory examination of the account shows that the gamble was lost.

There is nothing that impresses the banker's credit sense so quickly and favorably as an ample bank balance, which gives the concern its most liquid

working capital. It indicates first of all that the business has a surplus in a form the most available. The owner has money in reserve. He can buy goods and pay for them. He can take advantage of cash discounts. He is not apprehensive over the coming of Saturday for it will find his balance large enough to meet his payroll. He is not on the danger seat and can spend his energies in constructive work and not destructive worry. And finally, it is a sure indicator that he has quick assets. These are all important cogs in the machinery of business.

It is not so long ago that the granting of a loan by the banker was carried through on an undeveloped and unscientific method, merely a knowledge of the borrower as a neighbor or local townsman. Not until about twenty years ago, when banks began to branch out and lend their money over a wider territory, did the use of the credit statement become employed as a factor in the extension of credit. Today the basic factor in all credit operations, whether it be a single loan, a flotation of commercial paper or a bond issue, is the statement of condition.

BE FRANK WITH YOUR BANKER

The business man who declines to show himself to his banker becomes the victim of his own prejudices. The most foolish thing he can do is to refuse to give the banker a statement of his affairs. His refusal opens the door to suspicion and chronic distrust. If good for his obligations why should he feel reluctant to prove himself to be so? What is claimed why hesitate to show of what the assets consist? The banker always has an uncertain sense of something hidden when the borrower refuses his statement. Is it simply a

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Property Rights or Communism

Where Have We as a Nation of Free People Arrived?

By John W. Barton

Vice-President, Metropolitan National Bank of Minneapolis

THE question, "Where have we as a nation of free people arrived?" should give every thoughtful man pause. Let him ponder what he gathers from observation of the daily actions of average individuals and attempt to analyze their opinions on finance and government affairs and their regard for government officials. He will ask himself, "Where do these people who have had the free use of the best school system in the world and who are citizens of a country which can proudly be proclaimed in every port on earth, get ideas about economics and all things pertaining to government so warped, unsound and prejudiced?" He finds that all are ready to criticize but few ready to help.

The average person apparently is looking for the opportunity to accuse some successful individual or government official of graft, to charge a government department or government-controlled institution with responsibility for his not being successful in a recent business venture or for failure to receive an expected increase in salary. It is so much easier and so much more comforting to rail at them than to turn on the spotlight of self-analysis in an endeavor to locate the trouble nearer home.

Such people, in numbers many among our citizenship, jealous of the success of others and desiring to excuse themselves, are easily appealed to by the demagogue with his flow of socialistic gab. This dangerous firebrand, casting about his dangerous accusations, offers no remedies for the ills he so glibly catalogues. The burden of his song is that every one who is successful is a crook. He advocates more pay and less hours, seniority rights regardless of ability, lower taxes and reduced cost of living and the host of fallacies familiar to every agitator. His only concrete suggestions are economically impossible. His program usually includes the removal of the successful from government and the installing of the unsuccessful.

THE BASE IMPULSE OF THE "ALIBI"

It is man's universal impulse—the attempt to excuse himself for his errors and failures by laying the fault on others. It is the universal attempt to present an "alibi."

But the promotion of these human weaknesses, the translation of these inadequacies into action and settled prejudices must not be permitted to hinder the orderly progress of our Nation. "They shall not pass!" Truth, not baseless accusations.—Success, not Failure,—must survive, or else the Nation will fall.

A critical situation exists. Success has for years been too busy with its affairs to stop to combat the false ac-

cusations directed at it and the Government by the growing army of idle, unsuccessful, twisted, half-baked, prejudiced minds.

I say to you, Mr. Banker, Mr. Farmer, Mr. Business Man, Mr. Professional Man, Mr. Tax Payer and Mr. Home Owner,—all who are freedom-loving citizens,—that your very existence is at stake! You have carelessly and unheedingly permitted unsound principles and policies to become enacted into laws. You have permitted laws to be placed on the statute books which tend to lower the self-respect of candidates for highest office. You have put forward the popular man instead of principles with big men pledged to those principles. This is all wrong, because our government was not founded on men but on principles. Principles must govern or there cannot be law and order. You cannot expect men whom you elect to political office to have the courage of their convictions and to fight for those economic and social principles upon which this government was built unless you yourself evidence public courage and do not hesitate yourself to deal frankly and courageously with untruthful and unsound heresies.

THE REWARD FOR INITIATIVE

The framers of the Constitution had before them the task of moulding a code of principles as a guide for the development of a previously tax-burdened people into a happy and prosperous nation. They appreciated the necessity of insuring reward for initiative, of guaranteeing the right to own property and to accumulate and retain the fruits of one's efforts. Far-sighted and inspired, they realized that only by capitalizing the inherent selfishness of individuals, by giving them opportunity to accumulate wealth in accordance with individual initiative and ability, could they insure the progress of a nation.

Human nature has not changed since then. There still exists that same necessity for reward for initiative and ability that must not be discouraged by such restrictions as the so-called "priority rights" among men in certain kinds of employment, by class legislation, by governmental aid to all kinds of sick business, which tends to reduce the efficiency and retard the progress of all to the level of the less capable and the inefficient.

Organization among classes of any kind is good for all when the organization is based on good purposes and employs only lawful weapons. However complete any organization becomes, however powerful it may grow to be, it will land on the rocks and destroy itself when its conduct becomes unfair and burdensome to others. No one must be deprived of the privilege of working and of following the dictates of his own conscience. There must be protection and proper recognition of the

small business as against the large. Tax burdens must be equalized. It should not be possible for any wealth to escape taxation by purchasing for instance tax exempt securities or by other devices. With the further issuance of tax exempt securities industry will lose the use and support of both big money and big men, thereby creating an idle class not paying their just proportion of the cost of maintaining the government under the laws of which they were rewarded for their initiative.

In recent years certain classes of our people, to the detriment of all, including themselves, have advocated laws and practiced policies through organized effort which tend to depart from some of the fundamental principles laid down in our Constitution.

THE RIGHT TO BE SUCCESSFUL

We must get back to the point where a man has the right to be successful and to be rewarded for initiative and ability without incurring the hatred of his fellow men. It is a matter of economics, but it necessarily relates itself to political activity. In any movement political in character we cannot expect unanimity of opinion; therefore political organizations must have platforms or declarations of principles, to present to the people for their choice, instead of men who are too often judged solely by their ability to orate and excite and confuse the public mind on the issues of the day.

The present lines of political demarcation are not properly defined by the designation "Republican," "Democratic" or "Socialistic." Today the people are actually in two classes,—those who believe in communism, socialism or state socialism, (some bright cardinal, others pale pink but all tinged with red,) and those who stand squarely on the principles laid down in the doctrine of property rights.

Don't Want Mama to Run the Business

HENRY A. HIRSHBERG, San Antonio Credit Men's Association, writes that the following letter shows that the Mexican, like the French Canadian, is indifferent to gender in the matter of personal pronouns:

"We in recip of your Letter where we find that, Mr. Santos Vacca was said he is the represent of this Business well Mr. S. Vacca he no that he have nothig to Do on our Buissness hear on this Store was no more Represent that Miss, Maria Penn Vacca, and he said he want you halsp him and give little more term to pay all his deats, he said he want to paid you every cent he ows you Mr. S. Vacca do that beacuse he dont want mama to run the, Buissness he have got nothig to live and he have lots chldes And he is a wido woomenan and he have nothig to Live beside this business and he want you to help him. You tel mr. S. Vacca if he remember of the words he tock [took], on the law on Jourdanton Court House. Miss, Maria P. Vacca."

Non - Material Capital Destroyed

European Reconstruction Not Material Problem Only

By John V. Van Sickle

EUROPE has passed through so many wars and has always recovered afterwards and usually with such surprising quickness that one is tempted to believe that the present situation will also be passing and that the old continent will soon recover prosperity. The situation of Europe, however, in 1914 was so entirely different from the situation prior to any other great war that it is by no means certain that the optimistic viewpoint is justified.

EUROPE BEFORE AND AFTER THE INDUSTRIAL REVOLUTION

In three important respects the Europe prior to 1800 differed radically from the Europe of later days. 1. Methods of production, agricultural and industrial, were comparatively primitive, and moreover, had been practically stationary for centuries. 2. The population had adjusted itself to these means of production and was also stationary. 3. The countries of Europe were on the whole virtually self-sufficing.

All this was changed by the industrial revolution. Take the case of England. The industrial revolution in England soon multiplied many-fold the country's wealth, population began to increase rapidly and England soon became absolutely dependent economically upon her neighbors. In other words, self-sufficiency disappeared.

At the close of the Napoleonic Wars the Industrial Revolution spread to the continent of Europe, and by the close of the 19th century had made its influence felt throughout the length and breadth of the continent. It brought in its train the same consequences as it had in England. Wealth increased, population increased and self-sufficiency disappeared. Whether a country were primarily agricultural or primarily industrial it nevertheless came to depend upon its neighbors for essential products. The agricultural countries needed the new industrial population as the consumers of their products and were dependent upon the industrial countries for their agricultural machinery, clothing, etc. Similarly the industrial countries needed the agricultural countries as markets for their goods and the source from which to secure cheap food supplies. This inter-dependence was not confined to the continent of Europe alone; it spread to the new world, to Africa and Australia, in short to all countries of the globe.

THE AGE OF CAPITAL

The new era introduced by the Industrial Revolution is very properly called the age of capital. The whole civilization had come to depend on the maintenance of capital. It is important to understand this word capital. It is not so much money, which to most of us symbolizes capital, as it is the railroads, factories, canals, raw materials,



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is at present in the office of the Technical Advisor to Austria, stationed in Vienna. For a year and a half, during 1919 to 1920, he was attached to the American embassy in Paris in an economic capacity. Prior to that he was a first lieutenant in the A. E. F. He was Henry Lee Fellow of Economics of Harvard before the war.

—THE EDITOR.

machinery, etc. Destroy these things and our whole civilization would collapse. Population in most countries would be found to be far in excess of what the country could support. There would be no alternative but for millions to die and for the survivors to fall back to lower standards of living.

CAPITAL, CONFIDENCE AND CREDIT IN THE MODERN WORLD

Modern capital however is more than these material things above mentioned. It consists also of something intangible which is known as credit. The whole mechanism of international trade and internal trade as well, is founded upon an all-pervading credit system and it in turn is founded upon confidence. Destroy confidence and you have just as effectively brought your mills, factories and railroads to a standstill as if you had destroyed the physical plants themselves.

The new interdependence which the Industrial Revolution had produced in the Europe of 1914 had signed the death warrant of old fashioned diplomacy, that is, if the civilization were to endure. Unfortunately the diplomats recognized this only in part. International railroad regulations, international patent rights, international postal, telegraph and telephone service, etc., were a recognition of the new situation. The tariff policies of the various countries only partly recognized the facts. The general or maximum tariffs adopted by most European countries were still

based on the vain illusion that it was desirable that a country could be self-sufficing. Actually, however, these tariff rates were seldom applied, except in case of a tariff war. Trade really passed over minimum, "most-favored-nation" rates. All Europe was bound together by a network of "most-favored-nation" treaties by which any one nation was bound to extend to all nations with which it had such treaties the benefit of any particularly low rates which it might grant to a particular country for a particular reason. The force of circumstances continually made it necessary for countries to make mutual concessions and these were immediately generalized.

All effort at a common economic policy failed because of the deeply diverging political policies of the European countries. These policies were based upon the old assumption of self-sufficiency and national rivalry and their clearest expression was to be found in the policies of national armament. Year after year the states piled up armaments one against the other regardless of the fact that if once the dogs of war were loosed the whole European civilization might be pulled down in ruins, burying under its debris victor and vanquished alike.

WAR DESTROYED BOTH MATERIAL AND NON-MATERIAL CAPITAL

In 1914 the war broke out and has continued in one part of the world or another until to-day. It cost millions of men, women and children their lives or their health. In addition it destroyed to an unforeseen degree the material and non-material capital of the world. The industrial systems of all the "advanced nations" were changed over for the production of war materials, and however far from the theater of the struggle, this material capital was worn out and exhausted. In addition in the theater of active operations railroads, industrial plants, homes, etc., were wiped out. France in this respect was the greatest sufferer and all Europe to-day feels the effect of this devastation.

As we get further away from the active war we begin to see more clearly however that more serious than the wearing out or the devastation of the material capital of the world has been the destruction of the non-material capital, the spirit of mutual confidence. Until that has been re-created the plant and equipment remaining will not function.

THE PART OF PROPAGANDA IN THE DESTRUCTION OF NON-MATERIAL CAPITAL

In the destruction of the world's non-material capital, the balance of devastation seems to lie on the side of the Entente. Propaganda was the new weapon of destruction. Through the isolation and generalization from isolated incidents the world was made to

believe that sixty millions of Germans in the heart of Europe were a brutal, inhuman, and utterly untrustworthy people. The German regime in Belgium was a favorite theme for the propagandist. We all remember details of the atrocities in occupied Belgium. It is impossible to-day to say a word in defence of the German occupation of Belgium and yet the Director of the American Relief Work in Austria who was in Belgium from the outbreak of the war until the removal of Mr. Hoover's staff upon our entry into the war, recently said substantially this to me: "Germany's invasion of Belgium was a breach of international law which cannot and should not be defended. But overlooking this for the moment I can only say that as an American I should be proud if my country should make as good a record for itself in Mexico, for example, should we for any reason occupy that country. This was the general opinion among the American Relief workers in Belgium. You may be sure we were not pro-German. We were absolutely and unreservedly pro-Belgian,

just as to-day, working in Austria and in touch with the real situation here, my sympathies are with the Austrian people." How completely at variance this is with the ideas current during the war about the German administration of Belgium!

DAMAGE BY PEACE GREATER THAN DAMAGE BY WAR

The war in its main phases ended at the close of 1918 and the powers gathered at Paris to make a peace which should end war. Unfortunately the peace treaties which finally emerged were drawn up in a spirit of hatred, distrust, and revenge. Over all was thrown the cloak of idealism which Wilson had given the world but which served only to veil the iniquities of what bids fair to prove the worst peace treaty that history records. As is always the case, the worst damage caused by war is not the war itself but the peace which concludes it. If Europe goes to its destruction it will not be because of the war but because of the peace.

was the compilation and distribution of statistics (facts) through a trade association. First the manufacturers organized a statistical bureau, gathering figures of production, orders, shipments, and stocks on hand. These figures were charted graphically to make them easily readable. The legitimate distributors, who based their figures on actual costs naturally were desirous of receiving these charts. They had to know the trends of the mills because they could not afford to guess. The manufacturers agreed to exchange statistics with the distributors provided the latter organized a statistical bureau whose figures would reflect the trends of the representative houses. This has been done in several industries and the information secured from these charts is invaluable to manufacturer and distributor.

Here is what some wide awake distributors in a certain industry secured from a study of these charts: After the signing of the Armistice they appreciated the fact that an upward trend in business was impending. The key barometers of general business all pointed that way. The trend of the stock market anticipated it. Stocks on hand at the mills on January 1, 1918, had been liquidated during the year and were at a very low point in January 1919. What did these wide awake distributors do? Naturally they went out and bought heavily for stock. Then came the business expansion in 1919 and 1920, and the period of inflation. Other distributors were falling over each other trying to place orders with the mills, in many instances duplicating the orders. Then came the railroad strike and the congestion holding up shipments. Heavy demand led to increased orders placed with the mills. Speculation was rife. But did these wide awake distributors worry? They did not. They had bought for stock and were prepared for the expansion and had not paid peak prices. They saw the huge surplus of orders over the mills production and shipments, and they also saw the turn in their customers demand.

ANTICIPATED THE DEPRESSION

When, on the other hand, the downward trend began they were set for the depression. They were not caught with heavy inventories in January 1921. They were wise virgins; but there were many more foolish virgins. These foolish virgins were caught with heavy inventories in January 1921, in some instances their inventories were worth only half their purchase price.

Then in 1922 consider what happened: The wise virgins whose inventories were below normal went into the market again and bought for stock, taking advantage of the drastic price reductions, while the foolish virgins were liquidating their heavy stocks on hand and taking heavy losses.

Now comes another period of business expansion, though speculation is not so prevalent. Too many have remembered their fate in 1920. But will they continue to remember it? The foolish virgins are now feeling their way. If they only realized it there is a way out of their difficulty. What they need to do is to study the trends of their industry. The year 1923 apparently is going to be a prosperous year for many. What will happen in 1924? If

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Statistics (Facts)

Their Value as the Signposts of Business

By William M. Farrar, Jr.

A LEADER in a certain industry recently said, "I learned my lesson in 1920. Never again shall I depend upon my 'hunches.' Hereafter I follow the regular road and watch the signposts. My business has been re-organized on a scientific basis. I am satisfied to take a legitimate profit based on actual costs."

How many business men have given utterance to similar statements, and how many of them will be caught again when the next depression hits us! The new depression is bound to come. Business has been ever thus,—graphically a series of waves, ups and downs, depressions and expansions. Until all business men become educated in the value and use of statistics (facts), it will always be the same old story.

The main cause of business depression is over-expansion, placing too high an estimate on future sales, over-production, buying too heavily, building too largely, borrowing too heavily,—all due to ignorance of the supply in the hands of the manufacturer, wholesaler, and retailer, and failure to study consumer demand. It is absolutely necessary for a successful organization to study statistics (facts) of their industry. Raw materials, labor costs, orders, production, shipments, sales stocks on hand, cancellations, unfilled orders, are the barometers that an organization must study to anticipate properly the future price trends of their products. And many organizations forecast future price trends in their industry with uncanny accuracy.

PREVENTABLE FAILURES

In 1921, over 60 per cent. of the business failures of the country were due to bad management and lack of adequate capital. Most of these failures could have been prevented had the ex-

ecutives exercised well founded judgment. Sound judgment can be attained only as the result of better business education.

We do not think much of a business man who does not read the financial page of his newspaper; for a mint of information can be secured from a study of the daily financial page, the monthly reviews of business conditions that the larger banks issue free, the government reports of business conditions, also free, and the market letters and graphic charts of trade associations.

Secretary Hoover recently said, "The country would be bankrupt in ten years if business were deprived of statistics." A meeting of the American Trade Association Executives was called in Washington, at Mr. Hoover's suggestion, to discuss the subject of trade association statistics. It was brought out at this meeting that the representative members of each association devoted to a special trade reported statistics. These firms are the most progressive in their respective industries, and they all realize the importance of statistics (facts).

Before the days of trade associations it was necessary for each distributor to secure information as to the mill's orders, production, shipments, and stocks. This information was secured by sending men to the various mills. Naturally only the larger distributors could afford this expense; the smaller distributors were forced to "guess" the supply of manufactured product available; and of course often guessed wrong. This guessing often led to unjustified price cutting and cut-throat competition which forced many a small legitimate merchant out of business.

The only remedy for such a situation

Federal Taxation

By Max Goldstein
of the New York Bar

Much has been written and said on the subject of preparing income tax returns in such manner that taxpayers may avail themselves of all the benefits permitted by law and regulations. This yearly task is not the only phase of federal taxation which has given corporation executives "food for thought."

The Treasury Department, through its auditors in Washington and examining officers stationed throughout the country, is continually auditing and verifying returns which have been filed to cover past years. These investigations to which the taxpayers records and returns are subjected have resulted in many controversies over alleged additional taxes due the Government; in some cases they have revealed over-payments.

In the past, although such controversies had been settled and the cases involved closed, the promulgation of new decisions after such settlement was used as the basis for reopening and re-auditing cases which had been to all intents and purposes finally closed. This created a situation under which a taxpayer could not feel that his tax matters for past years were a definitely closed transaction.

The Revenue Act of 1921 has brought relief to this situation through two provisions, the text of which should be the general knowledge of every corporation executive and every business man in charge of a company's affairs.

These provisions are

- (1) That only one inspection of a taxpayer's books of account shall be made for each taxable year unless the taxpayer requests a further examination or the Commissioner of Internal Revenue after investigation, notifies the taxpayer in writing that an additional inspection is necessary.
- (2) That in the absence of fraud, malfeasance or misrepresentation in connection with the case, and after the taxpayer has

- 1—Without protest paid in whole any tax or penalty
- 2—Accepted any abatement
- 3—Accepted any credit
- 4—Accepted any refund

based upon a determination and assessment by the Commissioner of Internal Revenue, such action may be made final and conclusive, through an agreement made in writing between the taxpayer and the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Under such an agreement the case cannot be reopened except under proof of fraud, malfeasance or misrepresentation in connection with the final settlement of the case.

Presents for the Ladies

Houston.—At the Christmas banquet of the Houston association, each member who brought a lady turned in at the door of the Rice Hotel banquet hall a present valued at not less than \$1.00 or more than \$5.00. The presents, mostly products of the members' companies, were drawn for by the ladies present.



Foam's Forecast for 1923

Unfilled orders of the Paper Clip Corporation and other indications point to a year of prosperity for 1923. There seems to be no doubt that the next twelve months will bring better business, unless of course something happens to interfere with buying and selling in which event business will not be so good and may even be bad.

Agriculture should show improvement if crops are good, but on the other hand if rains or droughts spoil the crops, or if the farmers get tired, agriculture will suffer a slump.

The railroads with sufficient passenger and freight traffic face a year of plenty, but if people decide to stay at home or if freight is shipped on motor trucks 1923 may turn out to be a bad year for the railroads.

Sales will increase during the coming year if there is more buying; however, if buying falls off there will undoubtedly be a decrease in selling.

Summing up the situation, the country will have a boom in 1923 if business shows unusual improvement, but on the other hand if business is only average, normal conditions will result, and if business is bad a depression will probably follow.

cCc

The lumber industry is naturally anxious to see as many people as possible "go buy the board."

cCc

It is interesting to contemplate what might happen if Congress declared the law of Supply and Demand unconstitutional.

Coué-ing Collections

The visit of Phrance's Phamous Pharmacist to our dry shores (although every day in every way, we are undoubtedly getting wetter and wetter), may not put the mustard plaster people out of business or revolutionize the cough drop industry, but it will certainly have one worth-while result, to wit, supplying the humorous and pseudo-humorous writers with new material for their countless columns and numberless blurbs. Undignifying the dignitaries is one of the great American sports, and any new game on the preserve is most welcome. We, belonging to Column Conductors Local No. 23, however, join joyously in the hunt of the innocent Coué, with the yapping of the fun-pokers and the snapping of the critics.

With this alibi, do we herewith proceed—

The science of auto-suggestion technically known as "Kidding the Sub-Conscious Mind," has many branches, one of the best known being that practiced by automobile salesmen—anyone with several installments still to pay on a 1920 Puddle-Jumper 6 will tell you this. Differentiation (big words are, of course, necessary in a serious article of this kind) between this last branch of the science and that branch promulgated by Coué is simple. In the first, results are accomplished by having some one else kid you along with the aid of gasoline fumes, the world's most powerful narcotic. In the second, you merely kid yourself along without the aid of drugs or stimulants.

Assuming for a moment that the delinquent retail merchant has a sub-conscious mind (psychologists differ on this point) why is it not possible for Credit Men to use this faculty as something to work on? They have worked on his sympathies, his feelings, his better nature and even his conscience (which is getting things down to a fine point) without reducing materially the size of his check-book, so why not the sub-conscious mind as a last resort?

Duns are frequently over-done, so below is a concrete suggestion for extracting good cash from a bad risk—

Dear Sir,

Your account with us is long over-due. We believe, however, that you really want to pay this account and suggest that you carry out the following program as an aid to payment—

Every morning upon arising, place the record "The Little Birds Bills are all Over-due," on the Victrola, sit on the edge of the bed and with eyes fixed on the ceiling and feet placed firmly on the floor repeat seven or eleven times the words "Every day in every way I'm paying better and better." Have the check book within easy reach at all times.

We are sure this treatment will show results, but the best way to let us know of your success is to say it with checks.

Yours, Coo-coo for Coué,

B. B. T.

The Desk and Its Service to Business

Everyday and Special Subjects Systematized

By Charles E. Zonneville

Yawman & Erbe Mfg. Co., Rochester, N. Y.

CREDIT as a factor in commercial transactions has undergone a great development in the past half century. It is but natural, therefore, that the sub-elements or the devices that serve in the development of credit should move forward with it. In fact in any development the perfecting of the essential instruments or devices must not lag behind. Chief among the devices used today in credit work throughout the world is the credit man's desk for it is this desk that is the starting point of all credit systematization.

In the time before the Christian era there were no desks such as we have today. Tables were used and they, of course, provided no place to store records. Receptacles somewhat like our waste baskets were used for storage. (See Fig. 1.)

In the year 1114 a Gothic writing table appeared providing accommodation for writing materials but there was yet no arrangement for the storage of records. In 1572 there came the Elizabethan table providing for writing materials and also for documents, the first real step toward the modern desk.

In 1700 the table assumed the name of "secretary." William Penn's secretary, produced in that year and now in the Philadelphia library, not only provided for writing materials and current documents below the writing surface but had a cupboard or cabinet above for the permanent storage of documents and books. Abraham Lincoln's secretary as used by him in 1849 and now owned by the Chicago His-

torical Society, is a combination of desk and book case.

There is, however, a world of difference between the desk of those days and the desk of today. In the early times desks were made as furniture. The underlying thought was to make them reflect character and dignity. There was little else to commend them. Their utility might be compared with that of a flat board laid upon barrels into which papers might be thrown.

THE MODERN DESK

Today there are desks which from the standpoint of furniture, reasonably reflect the position and character of their users, but they are no longer mere tables upon which to write, or in which to store records, as one would store them in barrels. They are no longer desks of uncertain measurements, having tops, for example, that give the greatest working space, yet allow the average man to reach material on any part without arising from his chair. (See Fig. 2.)

And the drawers in desks of most advanced types do not require strength to move them with their loads, for the metal roller slides with which they are equipped make possible the operation by mere touch and the pulling out of the whole drawer to reach every inch of space it affords. Desks are now equipped not only with sliding drawers in which to store papers, but the drawers are made with movable partitions to accommodate in a systematic manner the cards, folders and guides

which have done so much to increase the speed of operation. The best desks procurable,—from the standpoint of furniture, refinements of construction, and supplies, are none too good for credit men, because these elements combined in the modern desk are of distinct economic importance for better credit management. The modern desk encourages systematization. It provides the tools with which credit men may best meet their individual needs.

"System," defined, is a plan of classification, a logical method which has for its object, simplicity and directness. We know that the orderly conduct of business depends upon system. Also that the orderly progression of one's personal interest in business depends greatly upon it. It is but natural therefore that the principle underlying the development of the desk has been the principle of system.

REQUIREMENTS FOR THE CREDIT DESK

The credit man's desk should be so designed as to store or file in a way most convenient for him, the tools which he uses from day to day to the end that it shall bring a maximum of co-ordination between himself and all the work of his department. The character of tools may best be divided into two general classes: *First*, the tools with which to facilitate the mechanical phases of everyday credit work, and, *second*, the tools with which to advance the educational phases of general credit work.

In the first class there may be grouped a number of trays to hold such papers as are used in handling dictation, pending, incoming and outgoing mail and so on. The usual miscellaneous small materials, printed matter such as the "Credit Man's Diary and Manual of Commercial Laws" and other quick reference matter; such card records as experience has shown most useful for individual needs—all must be ready to hand. There may be the new account card, the credit index card, the watch or stop credit card, the collection record card, the credit investigation, sales and payment record card and others. These cards with other small materials are cared for in the center and upper drawers known as the card drawers.

The second class is an important division. In this there may be a set of daily or 1 to 31 vertical folders in which to drop the things in most urgent need of close personal follow-up, such as copies of telegrams, important memoranda, urgent collection correspondence and similar matter. There may also be a set of A to Z (alphabetically indexed) folders in which to store and follow orders pending for arrival of financial information, payment of back accounts,



FIG. 1.

THE DESK, ABOUT 100 B. C., WAS A TABLE WITH A BOX FOR STORING ROLLS OF PAPER.



FIG. 2.
A MODERN DESK

cash in advance of shipment and similar papers.

A combination of the 1 to 31 set of folders and the A to Z folders may, through the use of double copy, serve as a cross index plan, making it possible to file by date and find by letter.

Then there may be folders which will not only store the papers of every day interest. As students, credit managers insist also upon having accessible the knowledge gained from others' experience in order that there may also be a group of subject folders for the papers of occasional interest, relating to the more external or larger phases of credit work.

EVERYDAY SUBJECTS

From my own experience I would put in the first group such everyday subjects as:

Accounts—Opening; Accounts Pending Adjustment; Adjustment Bureaus; Affidavits; Checks Pending and Laws; C. O. D.; Collection Agency; Collection—Form Letters; Collection Procedure; Contracts; Credit Refusing; Discount—Cash; Drafts; Guaranty Forms; Letters, Adjustment; Letters, Cash Sales; Sales, Conditional; Statements, Financial; Terms; and Trade Acceptances.

In these folders may principally be stored copies of letters or printed articles prepared by other credit men which you have thought particularly good, also copies of letters representative of your own best efforts—letters that you may improve upon in tone and force from time to time, letters you have prepared on given subjects that you may at times turn over to a stenographer to write perhaps in their entirety to save dictation and to meet recurring situations.

LARGER PHASES OF CREDIT

In the second group, relating more to external or larger phases of credits, I would have such subjects as:

Accountancy; Accounts—Assignment; Accounts—Turnover; Banking and Currency; Bankruptcy; Bonds; Budgets; Bulk Sales; Cancellations; Collection Turnover; Compositions; Consignments; Costs—Determining; Credit Association; Credit Department and Salesman; Credit Department Methods; Export; Fraud; Freight; Insurance—Credit and Fire; Interchange and Adjustment; Interest; Inventory; Investigation and Prosecution; Legislative; Losses; Maps; Mercantile Agency Service; Merchandise—Turnover; Profits Determining and Taxes.

All folders should be arranged back of alphabetical guides. For longest

wear and better appearance subject folders should be of pressboard, equipped with angular metal holders, fitted with typewritten labels and covered with colored mica windows.

A complete layout of folders plus the material to be stored in them, should occupy approximately the entire space in the two deep vertical drawers of the credit desk.

As the credit department grows, the system supplies may be spread to the desks of one or more assistants, the manager having only those supplies which are important in control work.

A FRIEND INDEED

There is a Scotch proverb, "No man can be happy without a friend, nor sure of him till he's unhappy." Thorough desk organization is a real friend, a bolster of mental and physical resources, requiring no salary or vacation, a tireless team worker, a friend indeed to be relied upon whenever unhappy moments come.

It offers, too, a form of credit insurance. It serves to bridge elementary and advanced credit activity and is a tangible medium for acquiring a credit education.

When the Bank Is Slow Pay

Observations of a Paper Merchant

A WHOLESALE paper house which sells largely to manufacturing stationers and printers, has been trying to discover why its customers have been, in recent months, becoming unnecessarily tardy in their payments, sacrificing cash discounts which had never before been neglected. The inquiry was started because many houses which had never failed to take advantage of the cash discount had ceased to do so, and were not even meeting obligations on net terms. The investigation went to show that the stationers were not tardy in their payments because of bad debt losses, nor tardy because they were selling below cost, but the reason was in practically all cases, "slow collections."

It was found in many instances that the stationers' customers were banks and banking institutions, and it was hard to understand how any bank should fail to pay its bills promptly, because the bank, very properly, is looked to as a model of business methods in our commerce.

To carry on the business of a bank it is necessary to keep on hand for the daily use of customers, supplies of stationery, such as check books, deposit tickets, letter heads and envelopes, oftentimes in large quantities. In addition, there are pens, pencils, writing ink, special supplies, etc., for the use of the employees of the bank. A bank is a dealer in money, but it is just as important to have such stationery in its stock in trade as to have money on hand with which to meet requirements. These supplies are consumed and become a regular expense amounting, perhaps, to many thousands of dollars a year.

The stationer has a payroll to meet regularly, just as the bank does. Inasmuch as at least half of the amount of the stationer's bill is represented by labor, does it not seem right that the bank pay its stationery bills promptly, for if the bank were to use its own labor in creating its check books, deposit tickets, etc., it would be compelled to pay for the necessary labor at the time the work was performed?

A bank may be quite tardy in its payments without the officers of the bank knowing that it is a slow payer. The real trouble may be the pigeon-holing of expense bills by busy clerks, who check up bills when it is convenient. The result is that weeks, or even months go by before the checking-up

clerk gets at the job of approving bills. Meanwhile, the stationer or printer is in need of the money but is held back from asking for it lest his action be misinterpreted by the bank's officers as indicating that the stationer is hard pressed or is annoyingly insistent upon pushing for payment.

A case is told of a stationer who found it necessary to negotiate a loan with his bank to meet his bills. He went to the bank that actually owed him money. The bank hesitated to make the loan, but the stationer finally got it home to the bank that if he could collect his own bill from the bank, he would not require the loan.

From time to time banks are called on to make statements of condition either to the state or national banking department. If any considerable sums are owing to stationers, printers or suppliers of material which have not been charged to the proper accounts, the bank is making a statement which is not true. Should the banks, therefore, not have their bills passed immediately, the proper accounts duly credited and in due course, bills promptly paid. The public is not accustomed to seeing in a bank's financial statement under liabilities, such an item as amount "owing for stationery, printing, supplies." Perhaps an absolutely true statement would make necessary the inclusion of such item.

A loan from a bank to one of its customers is a contract calling for payment on the day it is due. Is not an order from a bank to the stationer or printer likewise a contract between the two and should not the contract be as promptly and graciously lived up to by both as a contract covered by negotiable instrument?

Valiant Noes

RALPH WALDO EMERSON described "The Natural Merchant" in his essay on Character. He may have had the grantor of credit in mind when he wrote:

"In his parlor I see very well that he has been at hard work this morning, with knitted brow, and that settled humor, which all his desire to be courteous cannot shake off. I see plainly how many firm acts have been done; how many valiant noes have this day been spoken, when others would have uttered ruinous yeas."

Administrative Committee Declarations

CONSIDERABLE newspaper publicity has been given the following declarations recently made by the Administrative Committee of the National Association of Credit Men:

"The public statements of Secretary of the States, Hon. Charles E. Hughes, regarding the re-adjustment of European conditions, are received with gratification as indicating the constructive interest which our government is taking in the solution of Europe's financial problems.

"The Administrative Committee of the National Association of Credit Men believes that the reparations problems can be solved only by fixing the reparations through a board of financial experts whose conclusions as to the ability of Germany to pay will be accepted by both sides. These financial experts, responsible to no political party, should, without difficulty, be able to subordinate political situations to the urgent economic necessities.

"We urge upon Congress the cordial support of such a progress looking to the definite solution of the harassing problems that are effecting millions of our European brethren, upon whose wise solution our welfare in such large measure depends.

"We call upon the American people for their sympathetic approach to these problems."

"The severe liquidation in commodity values in the first quarter of 1922 helped to bring credit to its natural level. The curative process was strenuous in the extreme. We had to submit because we had broken the laws of credit. What we have passed through in recent years, and what Europe is passing through now, is a process in which credit seeks a stable condition and a recovery from abuses to which it was exposed during the war, and particularly in the afterwar period.

"The present condition of credit challenges its intelligent and prudent use. What we have now stored up must not be used for speculative purposes, but for legitimate and productive enterprise. No one commands sufficient prophetic power to forecast what will happen beyond the immediate future, for the rapidity of changes in world events and the superficiality of some of the factors of our large present-day business, do not permit that accuracy of forecast which is reasonably possible in normal times.

"What is to happen in 1923 is to depend upon the manner in which credit is used. If prudently liberated for constructive enterprise, there will be a control of costs and prices that will bring these factors within the nation's buying power and produce a stability and evenness in the flow of trade. The year will bristle with opportunities for skillful and devoted work. We stand as the richest among the nations, but with an obligation to use these riches wisely. Wisdom can be no better expressed than in a better knowledge of credit laws and a greater readiness to conform with them.

GO TO SCHOOL!
A POST GRADUATE COURSE IN TODAY'S CREDIT PROBLEMS
UNDER DIRECTION OF PROV. ASSN. OF CREDIT MEN
NEW ENGLAND CREDIT CONFERENCE
(PROVIDENCE BILTMORE HOTEL)
FEB. 7-1923 J.H. TREGOE
9 A.M. TO 5 P.M. GEO. W. GARDINER
PROVIDENCE CREDIT MANAGERS OF N.E.
SPEAKERS

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

THIS UNCONVENTIONAL and striking notice has been mailed to every member of a credit men's organization in New England.

"To trifle with credit is dangerous; to use it wisely means splendid achievement."

"The broad interpretation given our Constitution has helped to enlarge our nationality. The assumption of implied powers granted should not be questioned when the real welfare of the nation is involved, but no interpretation should be given the Constitution that contradicts its fundamentals and can, by no stretch of logic or agination, accord with its principles.

"Our industries, including those of the essential type, should be owned and privately operated. Such regulation as may seem to be necessary to conserve the interests of the public, to prevent unfair combinations and abuses, is undoubtedly a governmental obligation but a preservation of pri-

ivate enterprise and initiative represents the very genius of our government, and our form of government is not designed nor is it adaptable to the operations of industries.

"The exploitation of labor has been properly condemned, but with equal sincerity must we condemn the exploitation of capital. Only as our sense of responsibility is well-balanced, and as we seek, not our interests alone, but rather the interest and welfare of all the people, can harmony prevail and serious mistakes be avoided in our public life.

"As fighters in the defense lines of the Nation's commercial credits, the National Association of Credit Men would be unalterably opposed to any movement looking toward the elimination of private rights and private obligations in productive enterprises that serve the public."

Advertising and Export Trade

Fundamental Need of Publicity Abroad

By C. C. Martin

National Paper & Type Co., New York

IN his recent report on conditions in India, Thomas M. Ainscough, British Trade Commissioner, says "a feeling is growing among buyers that American manufacturers are preparing to follow up and support their representatives on the spot, by a much more liberal supply of information and advertising matter than is the case with many British firms."

Mr. Ainscough puts his finger on an important characteristic of American foreign trade, as any man having knowledge of export practice can testify. Advertising is not alone an essential factor of American sales effort at home, it is increasingly so overseas. In all territory where Americans are pushing for trade abroad, periodical literature carries substantial advertising of American goods, and this is having an important if not primary effect on advertising practice in foreign countries. Speaking only of one section, Latin-America, our advertising style and practice is recognized as standard, and such native advertising as is worthy of the name clearly indicates the guiding line of American method.

Large Volume of American Advertising Abroad

To say that we are the greatest advertisers in the world so far as our domestic market is concerned, would merely stress a well-known fact, but it is not so generally known that we are rapidly getting to the point abroad where our volume of advertising greatly exceeds that of any other country exporting to a particular section. The development of American foreign trade carries with it practice that has been proved at home, with the additional circumstance that frequently more selling pressure is needed abroad because our competitors are favored by lower costs of production and lower costs of selling, which must be overcome by repeated insistence publicly that American goods are superior from the standpoint of quality, productiveness, adaptability or whatever it may be.

There can be no doubt that by mass production and standardization we are frequently able to overcome our high wages, and produce goods that compete in the markets of the world with any country on a price basis. It is also true that with many classes of goods, for example, shoes, we can compete on a quality basis, without consideration of price, and not alone force our way into foreign markets but make our styles standard. In many other lines American invention and the effort to save every labor penny, has led to production of machinery and appliances that sell on their merit against all comers. But for many of these items the price contrast between American and European goods is the striking fact at first, and only by carefully considered advertising can the truth be finally brought home to the foreign consuming public.

Characteristics of Foreign Advertising

Advertising abroad breaks up essentially into the same classes we have at home. There is poster publicity, space in magazines and newspapers, mail pieces, letters, and to a limited extent only the house-organ. So far as the American exporter is concerned he has little concern with advertising restricted to one country or section of a country. Exporting in volume, as a rule, must cover many countries or indeed the world as a whole, and such advertising as is done to be economical, must likewise cover many countries or be world-wide in scope. In other words, few commodities can be sold in satisfactory volume in any one country and therefore export advertising like export selling searches many export markets at one and the same time.

Highly constructive work for the American exporter has been done by our export magazines, covering as they do practically the entire world. Likewise effective work has been done by carefully prepared and distributed letters and mail-pieces. Sampling is valuable when the field has been properly analyzed and distribution carefully made. With all due respect for other forms of advertising, however, many years' study and experience have convinced me that the best one form of export advertising, when a concern is willing to do the constructive work involved, is the house-organ.

Value of the House-Organ

There are many reasons that lead to the above statement. As a form of advertising the house-organ is not used abroad to anything like the extent true for this country, and therefore possesses elements of novelty that immediately commend it. As export selling is frequently long-range selling, and as personal contact in any selling is an absolutely vital element, the house-organ does much to establish this link. In any export work the character and personality of producer or exporter of the goods, has a prime value that is far more decisive than at home. A house-organ makes possible a definition and explanation of this character and personality not possible with other forms of publicity. In many foreign countries, notably Latin-America, trade is passing through its formative period, and while there are able business men in the different countries, commercial practice and organization are not highly developed. In this case the house-organ offers an exceptional opportunity to win the customer's esteem, by helping him in the economic and systematic development of his business. Of great importance also is the fact that the house-organ makes possible the highest form of national propaganda, opening up an opportunity for presenting to the foreign and possibly prejudiced customer, the high ideals and clean national spirit of the American people.

What One House-Organ Has Done

In his book, "Advertising for Trade in Latin-America," Dr. W. E. Aughinbaugh devotes a chapter to house-organs stating that "a few good starts of this sort have already been made, among which I believe the best-thought-out and most intelligently conducted house organ is that of the National Paper & Type Company of New York. . . . The house organ which this firm puts out in Spanish is called 'El Arte Tipografico,' or 'The Typographical Art,' and it fully lives up to its name, being one of the finest examples of modern printing and binding in its class. Interesting articles are printed which have a direct tendency to raise the standard of printing throughout the territory in which the firm sells its goods, and the illustrations are excellent. Color work of the finest kind is reproduced, to show what is possible with good equipment. . . . The fact that this interesting and beautiful publication is now in its eighteenth volume is the best proof of the character of the investment it represents." It is this publication, the policy of which I have had some share in shaping, that I will describe at the request of the editor of the CREDIT MONTHLY, in the remaining space at my disposal.

Some years ago a Brazilian told me that, in his opinion, there were two perfect organizations in the world: the German army and the Standard Oil Company. The German army has happily passed away and equally happily the Standard Oil Company remains. This remark of my Brazilian friend is deeply significant. It reflects the thought and attitude of thousands of Latin-American business men, who believe that the American business man and American business organization are the best the world has to offer. American selling, advertising, business organization and so on are standard practice.

A Business Man's Magazine

With this thought in mind and with knowledge of conditions in Latin-America, the above magazine has been cut strictly along the lines of a business man's magazine. The text is filled with material on costs, selling, inventories, turnover, credits, advertising, and other allied topics. The results in this department have been definite and convincing. Many letters are in our files from grateful customers who tell us of their humble beginnings, and then detail their present possessions, all the result of practicing what we endeavor to preach in the pages of this publication. Our salesmen tell us that many men in the mountains of Colombia or some other country, look upon the magazine more or less as their Bible, bind it, and read it at certain fixed hours during every week to their assembled working force. Only a short time ago a man from Brazil wrote us that for nine years he had been on the wrong



THE GREAT NEED IN FOREIGN ADVERTISING IS TO ADAPT ARGUMENT TO THE ECONOMIC AND PSYCHOLOGICAL STATUS OF THE FOREIGN PROSPECT.

side of the fence so far as profits were concerned, but that our articles on costs had put him where the red ink did not show. Not a week has elapsed since we received a letter from a large Colombian house telling us they had successfully weathered the storm, all due to articles in this magazine on turn-over, inventories, and so on. A point of extreme importance is that never in these text pages is there mention of the house publishing the magazine, except as such mention may be justified from the standpoint of business news of interest to the trade. Furthermore, while a substantial volume of advertising is carried for connections of the house not one line of advertising is free and every man pays the same price.

Breadth of the Work

The work, however, is far broader than this. Latin-American countries are isolated from each other to a degree little understood in this country. Not only isolated geographically, but sympathetically there are not the bonds that one would expect. One of our strong efforts, therefore, has been to create mutual interest among our neighbors to the south, and we devote a good deal of space to articles of an economic or general character that will introduce the various republics to each other, stimulate them to imitate good work that their neighbors may be doing, and at the same time we endeavor to develop pride of solidarity among the geographical divisions of the southern

continent.

North America is not forgotten. The outstanding business men of this country are described in biographical articles, their struggles, their success, their ideals, their methods, are all simply told. We have articles on the large stores, their merchandising and selling plans, educational work, cost systems and so on. Big national facts are given their proper place, never once, however, forgetting that a story must have news value if it goes in and must not be published as a bit of propaganda. We go even further than this, and few leads are neglected. Realizing the advantage of turning the Latin-American toward the United States as an educational center, we published a year or so ago a series of articles on the great universities of this country. That the articles were successful is indicated by a request from the public library of Buenos Aires, that we send them fresh copies of the issues in which these articles appeared. The young men frequenting the library had worn out the copies on hand by constantly reading these university articles. Of course it was our very great pleasure to send the library a handsomely bound volume with all the issues containing the articles.

My space is being exhausted, and I will close with one more example of effort along another line. Many years' contact with foreign countries early taught me that if I knew ever so little about a foreign language I became in-

terested in the people that spoke the language. With this thought in mind, we began some three years ago a series of lessons designed to teach English to Spanish speaking people. The work was carefully and practically planned, with the result that it was a success far beyond what we thought possible. Our men in the field complained that they were besieged with requests for back numbers so the lessons would not be interrupted; a number of schools officially adopted the course; in several countries the lessons were reproduced in publications, we gladly furnishing the plates at cost. Finally after the series was finished in the magazine, we issued it in booklet form; it is today selling in volume and our account devoted to this item shows a very substantial profit.

The credit man with his eye on the expense account, will probably agree, that the work so far is interesting, but what of the returns in direct sales? It has not been possible to check this up absolutely. We do know, however, that substantial volume of sales does result directly, while indirectly the work done is invaluable. Any selling of this character, in the last analysis, must be chiefly indirect.

Some time back I stated that I felt the best one form of export advertising was the house-organ. I have attempted briefly to tell what I know of one such publication and also what I have seen this magazine accomplish. It is true that this house-organ is costly, but it has justified its cost. However, there is no need of always issuing a house-organ of seventy-five or a hundred pages. Good work can frequently be accomplished at less expense. But let it not be supposed that work of this kind can be done without the most careful thought, planning and able preparation. A house-organ can consume as much money uselessly and be just as unproductive as any other form of badly executed advertising.

A Close Figurer

EVERY credit problem has its personal side which gives it a human interest. A young man called on a credit department to arrange for the opening of an account. The credit man decided on analyzing the proposition, that the young man should secure some financial assistance and suggested that, inasmuch as his brother was well to do, he should go to him. The young man demurred, however, and said that it would not be good policy to take the matter up with his brother because past experience had shown him that his brother was too close a figurer. To prove his brother an excellent mathematician he said, "I was drafted into the Army and the day before I left for France my brother called to see me with the special thought of suggesting that it would be good business if I were to insure my life in his favor before I left. My brother's interest seemed to be centered more in the dollar value of my life to him than in its value to myself and the cause."

Perhaps the elder brother would not agree that he was a good figurer, inasmuch as, though he apparently figured his brother would not return,—the soldier did come back and in excellent health.

Credit Leaders and Their Work

Credit Work Demonstrated

Atlanta.—Three active young members of the Atlanta association recently staged an entertaining and instructive demonstration of a customer seeking credit. The parts enacted were the credit man, the customer who was an old fashioned country merchant and the salesman. The playlet was based on the material sent out to many associations by the Research Department of the National Association.

Baltimore Trade Divisions

Baltimore.—The Baltimore Association's Directors in planning for the welfare of the association have often considered ways and means for extending its benefits to the individual member through Co-operation. At a recent meeting Francis A. Davis, F. A. Davis & Sons, was appointed special represen-



Edward B. Adams

B., 1869, Baltimore, M. I. Ed., Baltimore public schools. M. 1891. Member, Board of Trade, Columbia Country Club, Cap. City Chess Club, Civ. Club. Recreations, golf, chess. Favorite reading, history and biographies. Bus. addr., 614 Penna Ave., N. W. Washington, D. C.

Starting in china and glass retail bus. in Baltimore at 17. In 1903 sold out in Baltimore and bought out an old established wholesale china and glass business which has been successfully conducted since then. At the start was cr. mgr., sales mgr., purchasing agt., treas., gen. mgr., and pres., "but as the business grew, turned over to more capable hands all these duties except first and last ones." Member of Washington assn. since its inception. Vice-pres. 1918-19; pres., 1920-21. Vice-chairman Natl. Com. Credit Co-op. & Credit Methods. 1919; chairman Natl. Com. of Membership in 1922.

tative of the Board to confer with the Secretary and outline a plan for organizing the membership into trade groups or divisions, so that a closer contact with the individual members might be maintained. As a result of this resolution Mr. Davis invited the members engaged in the meat and provision, fruit and produce vegetable and oyster packers lines to a meeting which was held at the City Club on February

14th, 1922. The idea was explained and enthusiastically received by the twenty representatives who were present and Trade Division No. 1 was organized with W. H. Gebhard, Kingan Provision Co., as Chairman.

Connecticut Publicity

Bridgeport.—Frank L. Odell, secretary of the Connecticut associations, has been able to interest the local press in the doings of the Bridgeport, Hartford and New Haven associations, which are under his care.

On the occasion of National Secretary Tregoe's visit to Bridgeport, the local papers gave both news and editorial attention to his speeches and to the meeting of the Bridgeport credit men.

Best Connecticut Meeting

Bridgeport.—National Sec-Treas. Tregoe characterizes, as "The best Connecticut meeting I ever attended," the last gathering of the credit men at Bridgeport. There was a family party consisting of the officers and directors of the Bridgeport association in the afternoon. At the banquet in the evening Connecticut Secretary Odell described the excellent work he has been doing and Mr. Tregoe made a speech.

Growing Better and Better

Buffalo.—The talented editor of the Buffalo Association Bulletin has this to say about the recent visit of National Sec-Treas. Tregoe to Buffalo: "Our own J. Harry was in even more than his usual good form. As each passing year fits by, we find that, to use some of the words of the famous Coue, he is "growing better and better." His recurrent appearances also evidence a clearly increasing stature, a continuous mental and spiritual growth. His address, while brief, contained a ringing appeal to his auditors to strive every day and in every way to grow better and better. It would be a pleasure to reproduce here thought for thought and word for word what he said, but unfortunately his talk was extempo and, therefore, not committed to paper. It was a driving challenge to us to bring out the best there is in each and everyone of us to the end that America may assume her rightful place as the finest, best and foremost country on the face of the earth. He spoke of the necessity of increasing our general knowledge of our becoming, instead of mere credit men, mere checkers of orders and protectors of our own individual institution affairs credit construction engineers, builders not only of our own affairs, but also of those of the houses we sell. The address from beginning to end was a delight and inspiration to any who had the pleasure of hearing it."

Credit and Sales

Chicago.—At the January Forum the Chicago association held between 6:30 and 8:00 o'clock a first class meeting with the following speakers: J. M. Moylan, American Steel & Wire Co., presented the subject of "Co-operation Between the Credit and Sales Departments" and J. C. Teevan, Professor of Law, Northwestern University School of Commerce

delivered the Third Lecture on Commercial Law, entitled "The Law of Debtor and Creditor" including "Liens and Attachments."

At the last dinner meeting the speakers were Sec. of Agriculture, Henry Cantwell Wallace, who spoke on the subject of "The Effect of Present Agricultural Situation on General Business," and Judge Hugo Pain spoke on the subject "The Crime Situation in Cook County." At the speakers' table was an array of notables including four railroad Presidents.

Lew Shank at Cincinnati

Cincinnati.—The Cincinnati association was entertained by Lew Shank, Mayor of Indianapolis, at a recent meeting. He spoke in a happy vein of the peculiar demands that are made upon



C. DeLancey Alton, Jr.

B., 1881, Hartford, Conn. Ed., Hotchkiss, short time at Yale. M. Member, Automobile Club, Hartford Golf Club, Chamber of Commerce, Stamp Collectors Club, Twentieth Century Club, etc. Recreation, golf, bowling, stamps. Favorite reading, CREDIT MONTHLY, business books. Bus. addr., The J. B. Williams Co., Glastonbury, Conn.

Office boy with Williams for a year. Went to Yale, 1901, but left Jan. 1902 and went into the Traffic and Order Dpt., of Westinghouse, Church, Kerr & Co. Was transferred after a year and a half to outside construction at Pittsburgh, McKees Rocks and Youngstown. Left W. C. K. Co. 1904 to be chief clerk to asst. purch. agent of the National Rys. Co. of Mexico in N. Y. Returned to J. B. Williams Co. in 1905 as asst. to sec.; acted as purch. agt., traffic mgr., export mgr., cr. and office mgr.

Has been active in city government of Hartford. Member Board of Alderman for four yrs. Acting Mayor of Hartford for two yrs.

Helped to form Hartford assn. and was its asst. sec. Has always been officer or dir. and for past three years pres. Member of Natl. Council of Seven to formulate and put into operation the Natl. Dept. for Investigation & Prosecution of fraud. Member Natl. Banking & Currency Committee. Now a dir. of Hartford assn. and member of Natl. Investigation Prosecution Com.

the Mayor of a city, and of the different personal problems with which a Mayor has to grapple. Another speaker was Carleton Guy, manager of the Municipal Theatre of Indianapolis.

Orderly Progress Through Representative Government

Clarksburg.—Harry F. Atwood, Chicago writer and lecturer, entertained the members of the Central West Virginia assn. and their friends at the December meeting of the assn. Judge



Harry O. Barton

B., 1882, State Center, Ia. Ed., Cornell College, Mt. Vernon, Ia. 1900-1. M., 1912. Member, First M. E. Church, Masonic orders, Shrine, Elks, Past Counselor, Waterloo Council No. 201, U. C. T. Recreation, automobilism. Favorite reading, Hardware Age, CREDIT MONTHLY, American Mag. Bus. addr., Cutler Hardware Co., Waterloo, Ia.

Can boast of working for the same company from the start and still being with it now after 20 years of service. Asst-bookkeeper in 1902, bookkeeper, cash'er 1903-8, traveling salesman 1908-18; cr. mgr., since 1918.

Director Central Iowa Credit Interchange Bureau; 1921, vice-pres., later pres. Waterloo assn.

Atwood spoke on the "Constitution." He urged that the American citizen stand by the constitution by electing men to represent them as provided for in that instrument and then support those representatives as they go about their duties. Speaking specifically on the subject, "Orderly Progress or Chaotic Destruction" Judge Atwood declared that the people of America today should progress through their own individual efforts and abilities and not through reliance upon class legislation. He illustrated the importance of representative government by reference to the baseball game asking how long the game would be popular if it were ruled from the bleachers instead of by the umpire.

Every Meeting a Credit Clinic

Dayton.—Chas. Unverferth of the Reliance Life Insurance Co., is leading off in a drive for new members for the Dayton assn. He and his committee have set 300 as the goal to be reached in that drive, and Pres. Brining is certain that Chairman Unverferth will reach the goal if given half a chance by his fellow members.

The Dayton assn. is turning its reg-

ular meeting into credit clinics, that is, is taking up at each meeting various phases of credit work and demonstrating how this and that credit problem may be solved. In January there will be an analysis of adjustment accounts and a group of members have been delegated to give actual demonstrations involving adjustments. These clinics are attracting much attention; at the November meeting, for instance, nine members of the National Cash Register Co. were present five from the Dayton Rubber Mfg. Co., and four from the Hobart Mfg. Co.

Denver.—I. F. Downer has been made vice-president and secretary of The Hallack & Howard Lumber Co. of Denver. This advancement is of much interest to the headquarters of the National Association of Credit Men, which has many years recognized Mr. Downer as one of the staunchest friends of the Association. He is a past president of the Denver association.

More Power to the Judge

Omaha.—Dean W. A. Seavey, of the University of Nebraska Law School, spoke last month on "Seeding Up the Court," before the Omaha association. The judge, he declared, should be responsible for the speedy execution of justice and be given powers commensurate with his responsibilities. His duty should be to supervise all proceedings and pleadings, and cause parties to bring cases to trial in the shortest possible time. When there is no defense, the judge should be in a position to require the defendant to make affidavit for defense, or else suffer default. And, at the trial, the judge should be able to comment on the evidence and give oral instructions to the jury and should be required to control the attorneys more carefully in the examination of witnesses.

The judges and not the lawyers, he said, should examine the fitness of the jurymen, and the jury should pass only on questions of fact, to accomplish which more use should be made of the special verdict, for if special verdicts on special questions propounded by the court were rendered, new trials of the entire matter would seldom be necessary. Appeals should be limited and in their place the parties should be allowed to seek a new trial before the judges of the district court sitting in banc. Appeals should also be limited to cases in which the district judge certifies that there is a disputed question of law or in which a constitutional question is involved.

To secure the best judges, he said, before giving them these enlarged powers, they should be appointed for a longer term of office, so that there would be assurance of a continuance in service of experienced men and to insure better assistance to the judges. Incompetents should be excluded from practicing in the courts.

Quaint Bookkeeping

Detroit.—The bulletin of the Detroit association says that "at the time the average business was from ten days to a month behind in its bookkeeping. Often monthly statements did not in-

clude purchases made the last half of the month."

"Some accountants said it was impossible to keep say a thousand accounts in such shape that they would be ready for mailing on the first day of the month."

"But the hotels had to do this or take a chance on losing thousands of dollars every day."

"A man may occupy a room for five days, and on his last day he will eat dinner and sign his meal check. Then he will go up to his room, pack his bag, make a few telephone calls, order a taxi and, finally, five minutes before his departure, step up to the cashier and ask for his bill."

"On that bill he will find listed every item, up to and including his last telephone call."

MEMBERSHIP DISCUSSION

Warden Harry L. Hulburt of the Jackson State Prison was the principal speaker at the last meeting of the Detroit association; and there was a membership discussion led with much spirit by Robert G. Lake, Peninsular Cigar Co.

Group in Hartford

Hartford.—The Wholesale Credit Interchange group of the Hartford association has been organized, with E. S. Pierce, of Pierce, Inc., chairman, C. F. Loomis vice-chairman, R. W. Arnutus treasurer, R. H. Phillips secretary, and with C. deL. Alton, Jr., and H. F. Boardman members of the executive committee.

The group will meet for dinner



Charles F. Brinkman

B., 1864, Baltimore, Md. M., 1907, Ed., public school and business college, Valparaiso, Ind. Christian Scientist, Member, Woodmen of World (?), Omaha Chamber of Commerce, Knight of Ak-sarba. Favorite reading all good books. Bus addr., U. S. National Bank, Omaha, Neb.

Bookkeeper for two years in Baltimore. With R. G. Dun & Co., eighteen years, Sioux City. Omaha United States National Bank, fifteen years, as credit manager (seven years), assistant cashier (eight years); in January 1922 advanced to assistant vice-president.

Member of Omaha assn., over 14 years; pres. now for third term. Was the leader in a movement about six years ago in changing Omaha association from a social to a business organization, putting in adjustment and interchange bureaus which are today running very successfully.



Clinton M. Freeman

B., 1885, Andover, N. J. Ed., Newark high school. Member, Salaam Temple Mystic Shrine, Rotary Club, Newark Athletic Club, Down Town Club, Newark Chamber of Commerce. Recreations, automobiling and golf. Favorite reading, fiction. Bus. addr., Rubberset Co., Newark, N. J.

Started in banking business; then became associated with Rubberset Co., where he has been for the past nine years. Is now treas. of Rubberset Co. and Rubberset Co., Ltd.

Trustee, North Jersey Credit Men's assn., since 1915; pres. 1919-1920.

monthly when there will be conducted a quick but thorough interchange of information on specific accounts, and arrangements made for co-operation in adjustments and for the protection against credit loans as opportunity presents.

The Credit Man as a Stabilizer

Huntington.—R. C. Wagner, Burroughs Adding Machine Co., contributes to the bulletin of the Huntington association, an article on the stabilizing power of the credit man in which he says "The banker 'loans;' the credit man 'extends credit.' And it is 'all the same in Dutch.' The banker makes a loan to Mr. Business Man once in a while. In making a loan the banker requires a financial statement, properly encumbrances are investigated, etc. In other words, the borrower must show that his business is being run in a business-like manner, that he has the proper records so that the bank, as well as himself, can see at any time just how the business is going.

"The credit man extends credit week after week to Mr. Business Man. Is it not, therefore, even more important that his requirements be at least as strict as the banker's? If the credit man will demand those who seek credit from his house to keep a double entry set of books and the proper business records, he will not only protect his own firm but will be a benefactor to every man he deals with.

"Furthermore, if such a policy is followed by every credit man the day of so many failures will be over.

"The banker knows that only the business man who can, or will, keep the required records, makes a good risk for his bank. The credit man certainly has just as much reason, and even a greater need, for protecting his firm. At the same time he asks for only what the business man should have for his own protection a simple but accurate record of his business transactions.

"If the credit men throughout the

country will stand together on such requirements, then shall we see an almost ideal minimum of losses from extended credit, and a stability in the general business of the country that has never yet been equalled."

Playlet by the Y. W. C. A.

Huntington.—At the Christmas meeting of the Huntington association, besides addresses by Vice-Pres. C. P. Snow, Huntington Bank & Trust Co., and National President John E. Norvell, Norvell-Chambers Shoe Co., there was a surprise feature in the form of a playlet acted by members of the Y. W. C. A., given later at their own Christmas meeting. Mr. Snow thanked the Y. cordially and told the credit men that it deserved the support of the entire business community.



Harris T. Fulton

B., 1886, Minnesota. Ed., Washington and Jefferson Col. M., 1917. Member, Presbyterian Church, Kappa Sigma frat., Toledo Chamber of Commerce. Recreation, auto touring, superintendant of play for a four year old cr. man. Favorite reading, Alexander Hamilton Institute, American and Forbes Mags. Bus. addr., Blodgett-Beckley Co., Toledo, O.

His first job consisted of clerking in men's furnishing store; he had complete charge of opening the store and cleaning including window-washing. All this paid at the tremendous rate of \$7 per week. Saturdays lasted till Sunday came. After that he worked one year in the Traffic Dept. at the Bell Telephone Co.; five years with J. S. & W. S. Kuhn, Inc., of Pittsburgh (irrigation construction work in southern Idaho). Most of that time in charge of offices. Three years in cr. dept. of H. J. Heinz Co., Pittsburgh. Five years with the Blodgett-Beckley Co., importers of high grade teas and coffees, with whom he is now auditor and office mgr.

Joined the Credit Men's Assn., five years ago. At present chairman of adjustment bureau committee local assn.

Reducing It to Dollars and Cents

Indianapolis.—The monthly bulletin of the Indianapolis association attempts to figure in dollars and cents the benefits derived by a member who attends say two-thirds of the meetings during a year:

Receipts—	
Free legal advice received \$	200.00
Free accounting advice received	150.00

Credit insurance, by being forewarned on accounts through association with other creditors	500.00
Education in current economic questions	200.00
Satisfaction in knowing that you are serving your community in a well organized manner to reduce the bad debt waste	1,000.00

Total	\$2,050.00
Disbursements—	
Association dues for one year	\$ 20.00
Net gain for one year	\$2,030.00

Farm Financing

Johnstown.—M. J. Murphy, president of the New York and Pennsylvania Joint Stock Land Bank, addressed a largely attended luncheon of the Johnstown Association of Credit Men last month on the service which the joint stock land banks are endeavoring to render. He pointed out that the Federal Reserve banks are dependable sources of credit supply for banks and that the joint stock land banks are dependable sources of credit supply for the farmers, and afford a place where he has a special right to make application for loans.

Loans are made, he said, on 33 year mortgages, and the repayments are amortized, each payment including principal and interest. The plan is similar to building and loan operations now so



Howard S. Hopkins

B., 1894, Artic, R. I. Ed., Providence high school, Bryant and Stratton bus. college. M., 1920. Member, Congregational Church, Mason, Knight Templar, Shrine, Knights of Pythias, D. O. K. K. Recreation, camping, fishing, walking. Favorite reading, CREDIT MONTHLY, books on Accountancy, Sat. Eve. Post. Bus. addr., 155 Canal St., Providence, R. I.

Started work as bookkeeper in office of Wm. M. Harris Jr., large Providence lumber dealer. Worked in same capacity for Champlin Lumber Co., East Greenwich, R. I. for 3 yrs. On auditing staff for Frank A. Sayles, Pawtucket, one year. Entered employ of Congdon & Carpenter Co., as asst. office mgr., in 1918 and was made cr. mgr. 1919.

On Membership Committee, 1921. Captain of victorious team in one-day membership campaign. Sec. of Board of Directors. Adjustment Bureau Providence assn. Probably youngest cr. man in Rhode Island.

(Continued on page 22)

The Credoscope

A CHEERFUL PROPHECY



J. H. TREGOE,
Secretary-Treasurer
National Assn. of Credit Men

WE HAVE been forced to admit that morals have recently lingered in the twilight zone. Shocking crimes have happened on every hand; open banditry has filled columns of the newspapers; deceit and treachery have manifested an all too feeble conscience; in the field of business, frauds have been perpetrated on all sides. These low standards

of human action have led to much inquiry without any definite result and they have made us wonder just how the moral collapse came about.

This situation has not been without its aftermath. There were some who did not share in the moral decline. I have persistently declared that the real heart of business was controlled by strong moral principles. Our interest is naturally high in this social question, for morality is the chief underpinning for credit and moral fluctuations are deeply registered in credit transactions.

It is "darkest just before dawn." I have been led to conclude from recent close observations that a strong reaction was setting in, that the best of our people were becoming irritated as mere observers of these deadly things and realized the need of a religious baptism. I sense in this impatience and indignation a rising revolution against lowered standards; I believe that the appealing wave of crime will recede before the rock of a stubborn national conscience.

We follow with deep interest the upward and downward curves of commerce and industry, and we can with equal interest trace the downward and upward curves of morals. We cannot as a nation forfeit our traditions. We can indulge flippancy and disrespect of the law for a little while, but not eternally. I prophesy, therefore, a rising tide in our national morale. I can see the signs of its coming though they are very dim, and I pin my faith more than all to the staunchness of the American character.

Morals and credits are boon companions.

NOTHING SO EXPENSIVE AS A CHEAP CREDIT DEPARTMENT

WE SHOULD call it sheer folly for the builders of a magnificent ship to put it in charge of incompetent seamen. Yet we note frequently in the affairs and conduct of men a narrowness of view which leads to just as great absurdities, which sees only the surface and never penetrates into hidden and important parts.

Consider a business enterprise with a large capital basing its hopes on a reasonable profit and endeavoring perchance to render some kind of service. If it is a producer of commodities, unlimited expenditures will in all likelihood be made on an engineering or a chemistry department where the quality of the commodities produced may measure to proper standards and satisfy the needs of buyers.

After all this be done, what if a written or implied promise, received in exchange for the commodities delivered, should be worth practically nothing? What if the enterprise produces well, sells well and credits badly? Is not the department that governs the credit outlet the real conservator, after all, of the enterprise? Could there be anything more expensive than to entrust such work to cheap hands?

If the enterprise is merely one of wholesaling, of what avail is it to have the commodities well bought and well sold if the credit outlet is punctured with cheap ineffectiveness?

Appraising the safety of a credit risk is a delicate task, and must not be done in a cheap and ineffective fashion. The credit department of an enterprise should be equipped just as carefully and completely as any other department,—probably more so. The manager in charge must be selected with at least as much care as is devoted to the selection of any other type of manager, in order that there may be secured the skill that will keep the credits liquid and circulating rapidly, no matter what such skill may cost.

We are oftentimes stricken with surprise that hard-headed business men seem to feel and think that a credit department is an expense, pure and simple, a department that does not produce. How very foolish is such a deduction; how far short of the facts it has proved in our commercial history! No department of an enterprise is more qualified to produce than a credit department if it is properly equipped and manned. Goods may be well bought and well sold, but no profit comes until the credits

into which such goods are converted are liquidated and the sums safely stored away.

There is nothing so expensive as a cheap credit department. It is a challenge to the good sense of the business public and to the pride of those who are attracted to credit work as a profession and livelihood. Granted a properly equipped credit department and under proper management, very much of the waste now going on in commerce would be avoided and there would be less violent upward and downward curves in trade. Skill in production and in distribution is very necessary but no more necessary than skill in credit exchanges and in determining the lengths to which production and distribution should go.

BEGGING WITH ONE HAND AND STRANGLING WITH THE OTHER

"DO AS I SAY and not as I do" is a mighty comfortable legend at times, but it does not count for much in the teaching of men. "Preach little and practice much," is a better legend, one that is singularly applicable to the field of business.

When we lay down as a proper rule of action that a discount should not be taken after the expiration of the discount period, how inconsistent it is to find an enterprise, which, in the role of creditor insists upon the observance of this rule, yet in the role of debtor breaks it! Don't ask someone else to do a thing which you are unwilling to do or attempt to do yourself. Such a practice will diminish your influence and cause lips to curl in scorn. If you believe a rule is good and proper for others to follow, then by all means observe it yourself.

Keep your own skirts clean if you want to play the proper part and be known as a fair-minded business enterprise. If you demand generous treatment, then be willing to give it. Don't beg with one hand and strangle with the other. It is a great temptation at times, after advocating a good rule for others to break it when its operations run against you. Faith and fair play can never be divorced from successful business. They help to keep the skirts clean.

GROUP MOVEMENTS AND THEIR DANGER

THERE IS nothing more dangerous than the man of one idea, it matters not where he is found,—in the pulpit, in commerce, or the streets. When one-idea people organize in groups we indeed get a bad spot in the social economy. We must have varied sides in our make-up and endeavor to view affairs along the entire horizon if our part is to be played properly and we are to contribute well in the building of human welfare.

In the big field of business, there are both debtors and creditors. In industry, the capitalist should be a laborer, and the laborer a capitalist. In the domain

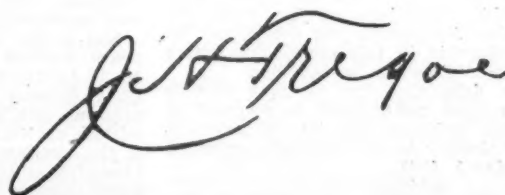
of society, we must owe and be owed. As the great Apostle said, "I am debtor to the Greek and the barbarians." He recognized their contribution to human affairs which had enriched his life, though at the same time there were many who were his debtors.

I speak of this because as a rule where the one idea has dominated, progress is hindered and many walls are built up merely to be knocked down. Here and there in our national history, we find sluggish movements for the reason that people were playing too largely on one string, failing to recognize their indebtedness to this or that idea and interest which was performing a real service.

Present economic conditions have brought to the fore a number of single idea exponents. Can agriculture say to industry: "I have no need of thee, my interests are superior to all others?" Can labor say to banking: "I have no need of thee, my interests should have precedence?" Analyze the situation and the discovery will readily be made that without active industry agriculture would languish. The increase in farm land values and agricultural products is coincident with the acceleration of our industries and railroad construction of seventy years ago. What would labor produce for itself without good banking facilities whereby enterprises can be financed and made to function on extensive lines?

Running throughout the Nation there are cords which bind us to one another, no matter how individual and paramount we may feel our own interests to be. We must recognize our debtorship to the very things that we may not like, which, after all, may be the very things which give us personal comforts and welfare.

Nothing can create greater difficulty or produce more hesitancy and doubt than the grouping together of one-idea people for any particular purpose, and especially when this grouping occurs in our legislative assemblies. Even a little finger cannot be clipped from the human body without defacing it or affecting its functions injuriously,—so when the effort is made to elevate one interest above another, the situation becomes discordant, there is a lack of the roundness which assures good health. Only as we work together, creditors of some and debtors to others, will we keep conditions right and clear the way for substantial progress.



(Continued from page 19)



Clem Karl Kuehne

B., 1891, Walker, Mo. Ed., high school, 1 year prep. school, bus. course. M., 1913. Member, Methodist Church, Mason, sec. Kiwanis Club, Y. M. C. A., Chamber of Commerce. Recreation, automobiling, tennis, camping, swimming, boating, fishing. Favorite reading, Literary Digest, CREDIT MONTHLY, American Mag., Bus. addr., 405 E. Madison St., South Bend, Ind.

Started as stenographer and book-keeper; then bank clerk in charge of a small office. With Kansas City Federal Reserve Bank from its beginning. After a little more than a year, served as mgr. of Transit Dept. Left to join H. D. Lee Mercantile Co., starting as bookkeeper and credit man and is now office mgr. of the South Bend Branch.

Chairman Fire Ins. & Prevention Com., dir., 2nd vice-pres. of assn., 1920; pres., 1921. Attended past five natl. conventions with the exception of San Francisco, also state conferences.

generally understood. The mortgages, which are used as security for loans, he stated, are filled with the treasury department at Washington, which department issues bonds to the joint stock land banks. These bonds are sold to the public and the proceeds used to make further loans.

Sixty-five Members Signed This Note

Kansas City.—Geo. D. Kenyon, Norwich Pharmacal Co., and several other live members of the Kansas City association, devised the following membership note, copies of which were signed, at a recent meeting, by not less than 65 men:

\$35.00 Kansas City, Mo., 1922....
On or before February 1, 1923, after date, for value received, I promise to pay to The Kansas City Association of Credit Men, or order,

At its office in Kansas City, Missouri, Thirty-five and no 100 Dollars. Not in gold coin of standard fineness and weight, nor other metallic money, nor paper currency issued or to be issued by authority of the Government of the United States; but, and only, by the delivery to the Chairman of the Membership Committee of the above described Association, one application for membership in this association signed by an eligible firm or individual.

In default of the payment of this note, then maker shall be required to secure endorser and date of payment will thereby be automatically extended to May 1, 1923.

Due Address
No.

Louisville Presidents from Then Till Now

Louisville.—Pres. Reynolds rounded up at the last meeting of the Louisville association the majority of its past presidents. The complete list is:

1879-99—Curry, D. P., Gleason Jewelry Co.; 1900—Laib, Phil, The Laib Co.; 1901—Hilpp, S. A., Hilpp, Richardson & Co.; 1902—Walker, Walker, Harbison & Gathright, deceased; 1903—Getty, F. M., deceased; 1904—Gray, H. S., J. B. Speed & Co.; 1905-06—Hilpp, S. A., Hilpp, Richardson & Co.; 1907-08—Scales, J. H., Belknap Hardware & Mfg. Co.;

Howard Marshall

B., 1870, New York City. M., 1896. Ed., public schools. Member, Grace (Protestant-Episcopal) Church; ex-pres., Orange Chapter, Sons of the American Revolution; Railroad Club of



N. Y.; Point O' Woods Yacht Club, N. Y. Lover of art and poetry, student of Shakespeare. Bus. addr., American Exchange Natl. Bank, 128 Broadway, N. Y. C.

Entered employ of Joseph Wild & Co., importers and manufacturers of floor coverings at 16; organized and built up a credit dept. and was identified with its management for thirty-four years. Early recognized need of co-operation in credit work and was among earliest advocates of an association of credit men. Student of law and commercial finance. In this field delivered lectures on credit and financial subjects in business courses at Y. M. C. A., Pace Institute of Accountancy and School of Commerce and Finance at the evening sessions of N. Y. Univ. Served 2 years as member of City Council for East Orange, N. J., and served on its Finance Committee. During War was vice-chairman of Liberty Loan Committee of floor-covering industry and a frequent public speaker in behalf of Americanism. In 1912 organized and became president of Community League of N. J. which was responsible for enactment of legislation creating a Public Utility Commission. In 1920 became identified with credit dept. of American Exchange Natl. Bank and same year was appointed asst. cashier.

Has served as pres. and for many years member of Exec. Committee of N. Y. Credit Men's Assn.; also as national director. Delegate to many conventions and chairman of many committees on Natl. Bankruptcy. Was one of the advocates of the Amendments of 1908 at hearings before Congress. Frequent speaker at assn. meetings.

1909-10 Matthews, J. A., Brindley-Hardy Co.; 1911—Lynd, S. B., Industrial Bank, N. Y.; 1912-13—Braden, Clarence, Federal Chemical Co.; 1914-15—Bethel, Peyton B., Falls City Clothing Co.; 1916—Mitchell, E. C., Peaslee-Gaulbert Co.; 1917—Coleman, John P., C. C. Bickel Co., 1918-19—Harris, A. B., Otis Hilden Co.; 1920—Jensen, Chas. A., Louisville Paper Co.; 1921—Bethel, Peyton B., Falls City Clothing Co., and 1922—Reynolds, Luther C., Louisville Seed Co.

As Interesting as Sherlock Holmes

Memphis.—Writing on the value of the Credit Men's Association to the Community, J. P. McDonald, Wagner Grocery Co., mentions in the Memphis association bulletin the fact that part (one fifth) of the per capita dues paid by each local member into the National Association "goes to the Investigation and Prosecution fund which is used, as its name indicates, to investigate and prosecute commercial crooks. One of the best detectives in the country is employed by the Association, and some of



George W. Retz

B., 1878, N. Y. M., 1912. Ed., public school and private tutors. Episcopalian. Recreations, golf, automobiling, yatching, bowling, bridge, pinochle, and poker. Favorite reading, books of historical fiction, Shakespeare and periodicals. Bus. addr., A. D. Juilliard & Co., dry goods, N. Y.

Started with Sweetser, Pembroke & Co. in credit dept. Left 1899 to connect with present concern to become asst. credit manager. Assumed 1904 control of credits for company.

Members of Exec. Committee, N. Y. Credit Men's Assn.; Chairman, Forum Committee; Member, Budget Committee; on Board of N. Y. Chapter, Natl. Inst. of Credit; Natl. Advisory Council. the things accomplished are really re-

markable. Some of you may have read the stories of "Zephon" (C. D. West) that appeared in the CREDIT MONTHLY some time ago giving experiences of this detective and his associates. They were as interesting as Sherlock Holmes, Arthur B. Reeves or any of the others, but aside from the mere entertainment furnished, is the real accomplishment of this department, making the world a safer place in which to grant credit.

"How does this help the community? The firm who lost by the work of these crooks made ample provision in the prices of goods sold to his trade to take care of his losses both by crooks and legitimate failures, and if we (The National Association of Credit Men) can eliminate the commercial crook, or can through our efforts reduce the loss through commercial crooks to a nominal amount, we have done a great good for the community by helping to reduce this burden that is borne by the people."

Tennessee Bankruptcy Court Commended

Memphis.—At its last meeting, the Memphis association, after due consideration of the work accomplished in the Court of Bankruptcy for the Western Division of the Western District of Tennessee by the Honorable C. L. Marsilliot, Referee, unanimously passed a resolution "heartily endorsing the active and persistent policy followed by the Hon. C. L. Marsilliot, Referee in Bankruptcy for the Western Division of the Western District of Tennessee; pledging the support of the members of the association to him, in his vigorous application of the Bankruptcy Law and his untiring efforts to see that creditors receive full consideration granted them under this Act; and approving his work in having established the first real Court of Bankruptcy in this District as intended by the Federal Bankruptcy Act."



Leland H. Robinson

B., 1891, Shannon City, Ia. Ed., high school, Des Moines, Ia. M., 1914. Member, Urbandale Federated Church, Lions Club, sec. Waveland Golf Club. Recreation, golf, automobilism, baseball. Favorite reading, CREDIT MONTHLY, American Mag., System, good editorials. Bus. addr., Pratt Paper Co., Des Moines, Ia. While in high school took bus. course and started work in a bank. In 1914 joined his present company as bookkeeper, then became cr. mgr. In 1922 elected dir.

For past 8 years held various com. chairman positions in his assn. Was dir. of Central Iowa Credit Interchange Bureau, natl. chairman on Commercial Arbitration for 8th District and is now vice-pres. of the Des Moines assn.

Milwaukee Credit Men on Job 26 Years

Milwaukee.—The rounding out of 26 years of usefulness by the Milwaukee association was organized by a special meeting held last month at the Hotel Pfister, presided over by Pres. R. J. Dempsey, Weyerberg Shoe Mfg. Co. Starting with 40 members in 1896, the association now has more than 600, including 20 firms that were charter members. Only two representatives remain of the individuals who attended the first meeting, Oscar Loeffler, Goll & Frank Co., and H. M. Oberndorfer, David Adler & Sons Co.

Causes of Commercial Crime

Milwaukee.—In a recent talk in Milwaukee on "Fraud," Its Symptoms and Its Treatment, to the advanced class in Credits, S. J. Whitlock, General Man-



Herbert F. Schmer

B., 1882, Peoria, Ill. Ed., high school. M., 1919. Member, Masonic Lodges and Shrine, Peoria Assn. of Commerce, Grocers and Butchers Assn., Credit Grantors Assn. (retail). Recreation, automobilism. Favorite reading, books on credit and matters of commercial nature, periodicals and light fiction. Bus. addr. 231 S. Jefferson Ave., Peoria, Ill.

For 13 years after he began to work, was in the retail grocery and meat business for himself. Left it in 1918 to become mgr.-sec. of Peoria Merchant Assn., a retail rating and adjustment bureau.

Was always interested in credit work. Made a special study of forgery, fraudulent bankrupts, fraudulent charging of merchandise, such as buying on other parties' O. K.'s, false statements and also the ways to overcome such evils. Became sec. Peoria assn., Jan. 1922; mgr. Credit Interchange & Adjustment Bureau in process of formation.

ager of Belding Bros. & Co., Chicago, gave as the contributing causes of commercial crime:

1. Lack of proper investigation concerning the antecedents of the merchant placing his first order.
2. The ease with which credit can be obtained.
3. Delay in the prosecution of fraudulent operators.
4. The small amount of bonds required of fraudulent operators to insure their appearance at the time of prosecution proceedings.
5. Lack of real interest on the part of a vast number of credit men and others involved in commercial failures and compromise settlements.



Jay Spence

B., 1869, Chicago, Ill. M., 1895. Ed., public school. Mason, (Blue Lodge & Scottish Rites), Shriner, Member Los Angeles Chamber of Commerce, Jonathan Club. Recreations, Automobile Club, Hollywood Country Club. Bus. addr., Pacific Southwest Trust & Savings Bank, Los Angeles, Cal.

Started as messenger for German-American Savings Bank, Fond du Lac, Wis., in 1882. In 1886 became bookkeeper, Wisconsin Land & Dumber Co., Hermansville, Mich. In 1888 bookkeeper, teller, asst. cashier, First Natl. Bank, Pomona, Cal. Was cashier and then pres. of the Bank of Oxnard, Oxnard, Cal. Became cashier and then secretary of the Metropolitan Bank & Trust Co., Los Angeles, Cal., from 1905 to 1910. Has been with the Pacific Southwest Trust & Savings Bank since 1910 as cashier, secretary and vice-president. Has been member of Los Angeles Credit Assn. for a number of years, member of various committees, treasurer and director since September, 1920.

6. Insufficient amount of funds at the disposal of the different credit associations and agencies with which to properly investigate fraudulent failures and the like.

The Use and Abuse of Credit

Milwaukee.—E. M. Skinner, General Manager of Wilson Bros., Chicago, delivered the fifth talk of the course under the title of "The Use and Abuse of Credit," before the Milwaukee association. Among the pertinent remarks made by Mr. Skinner were:

"Sixty-seven per cent of the business failures of last year were due to the inexperience or lack of business ability on the part of the persons connected with the businesses that failed."

"Credit granting used to be destructive and was mainly a financial problem; it is now constructive and is a human problem."

"The real problem of the credit man is to assist in building up real business and keeping out of business undesirable persons or those who lack the requisites of successful business men."

"The requisites of a successful business man are *Honesty, Ability, Economy, Experience and Capital.*"

The solution to the problems of bankruptcy and commercial fraud lies in closer co-operation between credit men and a stronger national organization. stated National Director D. J. Evans, National Lead Co., Chicago. He further stated that the bankruptcy law should not be resorted to except in instances to prevent fraud or undue preference.

New York Membership Drive

New York.—Chairman E. T. Holland, American Cotton Oil Co., launched the membership drive of the N. Y. association on Jan. 15. Under "Volunteers Wanted," in the N. Y. bulletin, he writes:

JOIN THE MEMBERSHIP DRIVE!
SEE THE BUSINESS WORLD!
FINE EXPERIENCE FOR YOUNG CREDIT MEN!
RESTORE VIGOR AND VISION TO SENIORS!
ENLARGE THE CIRCLE OF YOUR
ACQUAINTANCE!
DEVELOP YOUR LATENT SALES ABILITY!
SEE WHAT THE OTHER FELLOW'S OFFICE
LOOKS LIKE!
BECOME AN "ACE!"
EARN THE "DISTINGUISHED SERVICE
MEDAL"

Pres. Neville's New Year Greetings

Norfolk.—Pres. Willis K. Neville, Old Dominion Tobacco Co., in announcing the last meeting of the Norfolk association, said:

"Another year has passed into history with its problems, its joys and sorrows, its successes and failures. With the New Year I send you a hearty hand clasp, with the wish that the Good Luck Fairy may shower you with Success and Happiness."

Debate at Toledo

Toledo.—At the last meeting of the Toledo association there was held a debate on this resolution: A mail order received from a merchant for \$800 with whom we have had no previous experience rated \$3,000. to \$5,000. first grade pay, should be shipped without further reference or information. The Affirmative was taken by A. M. Streicher, Alexander Black Cloak Co., and the negative by D. E. Sherrick. The Merrill Co.

Dr. Holdsworth on "What's Ahead for Business?"

Pittsburgh.—C. E. Willis, N. Y. Life Insurance Co., secretary of the Speakers Committee, reports that the last luncheon meeting of the Pittsburgh association drew an attendance of 100, and that all were benefited by a thoughtful address of Dr. J. T. Holdsworth, Bank of Pittsburgh, N. A., on "What's Ahead for Business?" Pres. Frank C. Demmler was in the chair.

The last evening meeting was called Norvell-Tregoe Night, with the National President and the National Secretary-Treasurer as the speakers.

Why Are They Active

Utica.—Special correspondent H. R. Hemmens, Utica Trust & Deposit Co., writes that at a recent meeting of the Utica association one of the pleasing features was the calling, impromptu, upon three active members to give the reasons why they were active in association work and the calling upon three men who were not active to give the reasons why they did not attend meetings more regularly. These short talks brought out some very interesting points.

Cards were placed at each plate for the signatures of those present and a monitor at each table filled out a card stating which ones at his table were not regular attendants.

Adsit and Doty Articles Reprinted

SO many requests for the December issue of the CREDIT MONTHLY in which appeared the articles by N. W. Adsit and E. B. Doty, on "The True Position of the Credit Manager" and on "Best Collector is Star Salesman," respectively, that reprints have been made with the expectation that more of the readers of the MONTHLY will wish to place these articles in the hands of their credit and sales forces. The reprints will be furnished to members of the National Association of Credit Men without charge except for the postage necessary to cover carriage.

Analyzing the Risk

Rochester.—Representing the largest industry in Rochester, the opinions of Freeman C. Allen, Eastman Kodak Co., as expressed in an address to the Rochester association at its last meeting, commanded special respect. His subject was, "Analyzing the Credit Risk and the Duty of the Credit Manager towards this Work."

H. V. Kaltenborn, associated editor of the Brooklyn Daily Eagle, surveyed eloquently the leading news events here and abroad, with special reference to the business man.

Pres. A. C. Hetherlin introduced the speakers.

Lansing Leaders

Lansing.—Those responsible for the continued progress of the Lansing association are:

Pres. Albert A. Elsesser, Capital Natl. Bank; Vice-Pres. B. C. Vall, Novo Engine Co.; Sec. C. M. Howland, Dudley Paper Co.; Treas. Clarence Schray, American State Savings Bank. Directors: J. Earle Brown, State Savings Bank Bldg.; W. B. Thoman, Thoman Milling Co.; Frank Hathaway, Worden Grocer Co.; L. E. Chapman, Rio Motor Car Co.; Henry Dietz, City National Bank.

Better Collections Accompany Better Car Movements in Northwest

St. Paul.—Jas. G. Woodworth, vice-pres. Northern Pacific Railway, discussed with members of the St. Paul assn. the immediate railway situation in the Northwest. Referring to the complaints that farmers were unable to get their products to the market, he denied that there had been any such thing as a "plugged" elevator on the Northern Pacific and that there was no grain on the ground. The car shortage, he said, which had been acute during the normal grain moving, had been largely due to the fact that the Northern Pacific had lost too great a percentage of its cars to connecting lines during the strike, that September first found on the rails of the Northern Pacific approximately 53 per cent of the number of cars owned by that road and December

first the percentage had risen to but 61 per cent.

Woodworth declared that the car shortage had increased the cost to consumers but suggested that it had probably had the effect of preventing the market from becoming congested, thereby inordinately reducing prices to producers.

Recent improved market conditions, he said, including the increase in the price of grain had given a largely increased profit to the producers of the Northwest.

A round table discussion at the close of Woodworth's address brought out the relation existing between the slow crop movements during the winter and unpaid accounts carried by jobbers. The conclusion was that there would be a considerably improved collection condition after the turn of the year.

Broadcasting a Two-Hour Meeting

Seattle.—Sec. E. B. Genung of the Seattle association writes: "We have just had one of the best meetings this association ever put over. We have had interesting meetings before, but this one I think really means more and will accomplish more than anything we have previously done."

"There are certain laws here in Washington that are very ineffective—The Bad Check Law, The Bulk Sales Law, The False Statement Law, and The Attachment Law."

"There were two, what seem to us, very flagrant cases which happened in Tacoma recently. The men were brought to trial but although admittedly guilty could not be convicted under our present laws."

"We had Tacoma put on a demonstration or Mock Trial depicting these two cases. They used the same names, the same amounts, the same arguments that were brought up when the case was tried in the Tacoma courts. It was wonderfully well done. We had nine of our newly elected legislators and 250 of our own members at that meeting."

Through the courtesy of the Rhodes Co., Inc., and the Northwest Radio Service, we broadcasted that entire meeting from 7 P. M. to 8.50, starting with songs by the Glee Club, and ending with a talk on "My Credit" by the Rev. J. Ralph Magee.

"We had notified San Francisco, Spokane, Tacoma and Portland just when the meeting would start. Portland was waiting in the offices of the Northwestern Electric Co., of Portland, with their Board of Directors and Legislative Committee."

"President Sandin, who enunciates clearly and has a fine voice, started in by telling in a few brief, clear cut sentences just what the association was. Everything was timed, and carried out to the minute. We have had hundreds of calls telling us that they had received the meeting in fine shape. We arranged the chairs so that the Judge, Defendant, Witness, Prosecuting Attorney and Counsel for Defense should all be about five feet from the receiver; horn, and talk toward it and the audience."

"The fact that everything was arranged for, made it a success. If any of the other associations should desire to put a meeting across like this remember that when you have the air with thousands of people listening you

cannot give an amateur performance! There must be no waits and your stuff must be interesting.

"Of course the uninteresting features such as reading of the minutes and committee reports were all left out until the radio had been disconnected."

Loss Sustained by Sioux City Association

Sioux City.—The death of J. K. Irvine, which occurred suddenly January 10, has brought a great sense of loss to the members of the Sioux City association. Mr. Irvine was one of the most constructive credit men and association workers in his community and one who was ever to be depended upon to give his best thought and effort to the up-building of the credit man's profession. He will be much missed in a wide circle of business and personal friends.

Well Balanced Meeting

Springfield.—Vice-Pres. Wm. K. Davis reports that a well balanced meeting of the Western Massachusetts association was held last month at which Dr. J. H. McCurdy of Springfield College spoke on "The Physical Credit Man" in Melba Temple Hall. Frank Hempstead, Eastman, Crane & Pike Co., Pittsfield, gave an address on "Business Letters."

Dr. McCurdy outlined three things with reference to health. The first was the importance of at least once a year taking account of stock by having the family physician make a physical examination and check up the physical condition. This is the principle of the Life Extension Institute.

A Record in Banking Membership

Wheeling.—Secretary Downs of the Wheeling association calls attention to the remarkable showing in bank membership made by his organization. Twenty-four individual banking houses are members. The association now has on its rolls 264 members. During the year it has made a net gain of 39, which already puts the Wheeling association well beyond the goal set for it by the National Membership Committee.

Burns at Head of Tulsa Credit Men

Tulsa.—W. D. Burns is the president of the Tulsa association. The other officers and directors are: 1st Vice-Pres. Walter Markham, Goodner-Mitchell Co.; Sec. W. A. Rayson; Treas. A. C. Sweeney, Central National Bank; A. K. Dawson, Dawson Produce Co.; C. T. Everett, First National Bank; L. J. Upp, Jansen-Upp-Meyer Co.; J. F. Goodner, Griffith-Goodner Co.; and J. A. Waldrep.

A Service Credit Men May Render Customers

THE U. S. Treasury order of November 21, 1922, requiring the keeping of books of account has great interest to business men. It should help credit men in their efforts to get all customers to keep simple books of account. The ruling does not attempt to specify

what kind of books or records should be kept. What the Treasury department wants is the keeping of such records as will reflect the true income.

Credit men will do their customers a service in calling their attention to the Treasury ruling. They should remember, furthermore, that the Association, in its pamphlet, "A Business Enterprise," has set out a simple system of bookkeeping, by the use of which as a guide any intelligent trader or contractor should be able to work out for himself a sufficient set of books to determine his income and in what direction his concern is going.

The Treasury ruling means that books and adequate accounts must be kept by all engaged in business, except farmers, but includes individuals, partnerships and corporations whether or not they have sufficient net income to require a return.

The Business Man's Reading and His Citizenship

By Dr. J. T. Holdsworth

Vice President, The Bank of Pittsburgh N. A., formerly Dean of School of Economics, University of Pittsburgh.

"Of the making of books there is no end." The philosopher who thus expressed his surfeit of literature in his day would stand aghast and bewildered in the presence of the modern cataract of books on every conceivable subject, including business.

The modern business man generally speaking is not much of a philosopher and may be pardoned if he seems confused by this multitude of literary counselors. And yet we have rested too long under the imputation of being "a nation of economic illiterates." The uselessness of denying this "soft impeachment" is reflected in the lack of definite understanding by the rank and file of the present generation of business men of the basic principles underlying the great economic questions now pressing for solution, and no less in the radicalism and demagoguery within and without legislative halls.

Wisdom, like water, rises only as high as its source. Under our representative system of government Congressmen and other law makers reflect in their thinking, or lack of it, the average opinions of their constituents. In the light, then, of the sorry exhibition of legislation enacted and proposed by the present Congress, soon fortunately to have

done with its performance, what shall be said of the economic intelligence or understanding of these constituents, including the business public?

Business men talk glibly of "the law of supply and demand," and use the phrase to explain every business phenomena not inescapably obvious, but what proportion of them have any real understanding of it, or of other fundamental economic concepts? Radicalism, classism, blocism, the tyranny of well-organized minorities, the effort to displace economic law by legislative enactment, the persistent propaganda for nationalization of the railroads and the coal industry, the continued effort to force the government into business—these and similar tendencies toward class selfishness are due in large measure to ignorance of the basic principles of economics.

The remedy lies in an intelligent grasp of the fundamentals of economics and their application to the every-day affairs of the business world. It must be understood, however, that this remedy cannot be applied by proxy or be given only to college youths. To have the desired effect every business man will have to take the treatment. Today's problems must be met and solved *today*, not tomorrow. With the steady output of standard text books both on the theory of economics and on applied or business economics, an intelligently-planned course of reading is now possible for every business man who honestly wants to know. Failure to avail himself of it leaves him inadequately equipped for the duties of citizenship or for the responsibilities of business.

A Banker's Experience with Credit Inquiries

THE credit department blanks issued and distributed by the National Association of Credit Men, are not generally used. For instance, we receive in our bank prepared on blank forms from ten to fifty inquiries during a week. Generally, the blanks are prepared by the concern that sends them. They contain a lot of questions that are nonsensical and that no credit man or bank would care to answer even if it were proper to do so. We cannot tell if the father-in-law of the man inquired about is married or single, whether he is black or white, where his father-in-law's property might be, whether he has mortgaged his income, nor can we take the time to answer many other questions that could not be of any value as credit information.

To fill out the kind of blanks submitted would require a specialist at gathering information, and even if they were filled out, they would be of little practical value to the parties making the inquiry.

Expanding Our Exports Through Foreign Sales Information

By Herbert W. Gruber

Chief, Commercial Intelligence Division, Bureau of Foreign and Domestic Commerce.

THE question "To whom can I sell?" or "Who will make a good representative for my house?" necessarily enters the mind of every exporter or foreign sales manager who contemplates doing business in any foreign country or district. To assist American firms in the solution of this problem the Bureau of Foreign and Domestic Commerce of the U. S. Department of Commerce three years ago created a Commercial Intelligence Division whose function is to compile and maintain an active World Trade Directory Index of foreign business firms and to provide exporters with reliable information concerning prospective buyers and agents in foreign countries. The data for this Index are being collected by the 1,000 representatives of the Departments of State and Commerce located at strategic trade centers abroad. To the important world markets are assigned special men, whose sole duty is to report on the business and activities of local firms.

Since this work was undertaken, the American Consuls and Commercial Attaches have investigated and submitted sales information reports on approximately 75,000 foreign firms. New and revised reports are being received at the rate of 500 or more a week. These reports contain information which in many cases is obtainable only by a man on the ground. In addition, they have submitted the names and addresses of several hundred thousand firms engaged in various lines of trade.

TRADE LIST SERVICE

From the World Trade Directory Index are compiled commodity trade lists, or "starred lists" as they are frequently called, covering a given section of one country or an entire country. Thousands of these lists covering a wide range of commodities and countries have been mimeographed and can be obtained upon request. New lists are being issued daily and are announced in Commerce Reports, the official publication of the Department of Commerce. This means is used to bring to the attention of American manufacturers the names of foreign buyers who are in a position to import, and the names of merchants whose activities and standing at home justify their becoming potential buyers of American merchandise. To indicate that there is a demand for such service it is only necessary to say that during the calendar year of 1921 the Bureau of Foreign and Domestic Commerce furnished 100,000 trade lists to inquirers. That number will be greatly exceeded this year.

The aforementioned lists contain the following features which are valuable, not only to prospective exporters, but also to old established houses contemplating changes or about to enter new markets:

A Free Service

THE REMARKABLE EFFECTIVENESS and value of the Bureau of Foreign and Domestic Commerce of the U. S. Department of Commerce as a service organization for American Exporters should receive nation-wide recognition and attention.

Its Division of Commercial Intelligence under the able management of H. W. Gruber, the writer of this article, is unique in government work, and offers to foreign traders a definite and valuable service in expanding their export business.

The Foreign Credit Department of the National Association of Credit Men has carefully inspected the facilities of Mr. Gruber's department and recommends it, without qualifications, to the attention and use of exporting members.

B. B. TREGOE.

First: Names and addresses of firms are, of course, the first essential of any list. The importance of having these up-to-date and correct cannot be over emphasized.

Second: An effort is made to indicate the relative importance of the different merchants by one, two, or three stars. This distinction is not based on the existing credit standing of the firm, but is made to show the largest firms, the next largest and the smaller ones, taking into consideration the geographical location of the firm, the class of goods handled and the character of the business. This information is highly desirable, to exporters entering new fields, so that profitable markets may not be tied up for a series of years in the hands of inexperienced (or possibly unreliable) representatives.

Third: Symbols are placed after the name of each firm which indicate the nature of its business, that is, whether wholesale, retail, commission merchant, agent, etc. It is essential that firms have this information in order to avoid the possibility of quoting rock-bottom prices to small retailers or agents. Such data is also important when undertaking direct advertising.

Fourth: Other important features of the starred lists are the nationality of each firm, location of branch offices (if any), whether firm specializes in one commodity, and if not, what other lines it handles.

These lists should prove useful as a basis for preliminary negotiations. They can also be used to advantage for circularizing purposes when planning general advertising campaigns. Results from their use will naturally vary with the different countries of the world; and the class of goods to be exported

will be a factor that will call for modifications in campaigns in different countries.

AGENTS ABROAD

The appointment of agents or locally established firms abroad to act as representatives is an important matter, demanding careful attention and thought, in order that the prosperity and future welfare of American export trade may be safeguarded. Exclusive agencies sometimes fall into the hands of persons whose racial or commercial ties are antagonistic to American interests. As a rule, it is not desirable to send communications to extensive lists of foreign merchants when seeking prospective agents.

HOW TO USE THE SERVICE

Firms interested in establishing new connections abroad will find it advantageous to submit their problems to the Bureau of Foreign and Domestic Commerce, preferably through the nearest district or co-operative office, in order that the Commercial Intelligence Division, in co-operation with the Commodity Divisions, may have an opportunity to give them the benefit of its wealth of information. To derive the full benefit of the sales information service all inquiries should be specific; such as, the particular countries interested in, commodities to be marketed. Whenever important questions cannot be answered from data on file in Washington they are referred to the men in the field. For example, in the selection of agents, it is often possible to advise whether a certain firm is favorable to American trade and what specific lines it now handles. This can often be accomplished at a great saving of time and expense to the exporters. This service as well as all other services of the Bureau of Foreign and Domestic Commerce, is free; the only requisite is that inquirers be listed on the Exporters' Index of the Bureau.

Leading Trade Paper Emphasizes Credits

SINCE April, 1920, the Furniture Journal of Chicago, recognizing the immense importance of the subject, has run a department, "Credits and Collections," in which authoritative articles have appeared. Lewis P. White, M. Friedman Co., San Francisco, recently enumerated the articles under this head. One paragraph of Mr. White's article reads:

"September, 1922—Article by J. H. Tregoe, secretary-treasurer of the National Association of Credit Men, is the world's greatest authority on credit. His monthly letter to the association for August is reprinted, by special permission, in this issue. A truly wonderful article and well worth reading several times."

Over 75% Automatic

SHEET NO. 1

RATING _____ NAME Brown Brothers & Company.

TERMS _____ ADDRESS 1310 West Main Street.

CREDIT LIMIT \$ 3,000.00

PROOF	DATE	MEMO	FOLIO	CHARGES	DATE	MEMO	FOLIO	CREDITS	BALANCE
	1922	BROUGHT FORWARD							
1021.00	JAN 2	601	1021.00		JAN 12	SH 2232		1021.00-	1021.00*
003	JAN 13	687	1037.44						00*
1470.54	JAN 13	688	4331.0						1470.54*
1480.29	JAN 17	921	97.5						1480.29*
1611.29	JAN 20	991	119.00						1611.29*
1901.00	JAN 20	992	12.00						1901.00*
2049.4	FEB 23	ET 2378	405.4		FEB 23	SH 2429		1630.30-	1901.00*
2706.04	FEB 23	ET 2376	183.41						2049.4*
2049.4	FEB 25	102491	250.11						2706.04*
	MAR 9	ET 2953	328.07		MAR 8	SH 3011		250.11-	2049.4*
862.70	MAR 9	ET 2954	121.29						862.70*
903.01	MAR 9	ET 2955	208.40						903.01*
	MAR 10	OD 2987	40.31						1066.28*
1066.28	MAR 14	OD 3168	142.45		MAR 25	SH 3285		2049.4-	861.34*
861.34	MAR 14	OD 3169	208.2						1361.34*
1361.34	APR 8	ET 3851	500.00		APR 10	SH 3457		657.76-	703.58*
703.58	APR 10	SH 3457			APR 14	SH 3551		1632.7-	500.00*
	APR 14	OD 4495	240.21		APR 14	WM 737		40.31-	858.71*
500.00	APR 17	OD 4496	118.50						

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hold their position of undisputed leadership in commercial bookkeeping because they give the business man more automatic features—more error prevention, more time saving, more complete figure information—for his investment.

For Example: Only 270 key depressions were required to write the 914 characters on the ledger card shown above—644 characters (indicated by circles) were automatically printed.

Dates, ciphers and punctuation are automatic.

Designation of totals, sub-totals, subtractions, credit balances, over drafts, and closed accounts is automatic.

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Column selection, return of carriage and shutting off motor are automatic.

Look up "Burroughs" in your telephone book, ask your banker or write Burroughs Adding Machine Co., Detroit, for demonstration of this all but human machine on your own work.

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Work of the Trade Group

Increases Service and Stimulates Membership

By J. F. O'Keefe

Sec., Chicago Association of Credit Men

IN the October CREDIT MONTHLY some letters were printed from the chairmen of several of the trade groups operating in the Chicago Association of Credit Men. They spoke for themselves, and indicated the fine work that can be done under the group organization.

The following letters from additional trade groups in the same association are

equally convincing, and will surely leave no doubt of the efficiency and desirability of this form of service.

This work is close to the heart of the credit men's problems and offers a most effective means of service, contact and co-operation, especially, I believe, in the larger association.

An association so organized is sure to increase its membership, and at the

same time is rightly organized for co-ordination along National lines, through the Bureaus.

The Editor of the CREDIT MONTHLY says that he will be glad to receive reports concerning this work in other associations.

The group plan bringing out some remarkably good ideas. Let's pass it along.

AUTO ACCESSORIES, OILS ETC.

By Group Chairman H. J. Rumsey
Vesta Battery Corporation

The Trade Division is one of the most important functions of the Chicago Association today. We commonly refer to the Three C's, Character, Capacity and Capital, as being the essential qualities of a good credit risk. A Trade Group, properly operating, can bring out such information as to enable those within hearing to determine if the debtor under discussion possesses these requisites. This is true whether the subject of inquiry be a prospective customer or one whose account is delinquent.

The discussion at the group meeting will tend to confirm other information, for facts are brought out which can be obtained in no other way. Every credit man has channels of information that are available only to himself; but by meeting his fellow credit men at a round table gathering, the spirit of confidence is fostered to the extent that he is also afforded the privilege of "listening in."

Let us consider the advantages of the group idea with regard to a debtor whose financial position is impaired. Immediately an account becomes delinquent, the thought of every credit man's settlement. Various methods of procedure are followed but without result. By listing the name of the debtor for discussion at a division meeting, it can be readily ascertained if this delinquent condition exists with all purveyors. If so, it is a warning signal and this is the occasion for a free exchange of confidences on the part of all interested creditors in attendance, and because all are friendly and their objectives common, disastrous results are often averted.

The importance of a financial statement is fixing credit responsibility will always be admitted, but in view of changing conditions considerable interest is shown in the manner of retiring obligations. Information in this respect by word of mouth will be more complete and detailed than that furnished in writing.

The acquaintanceship fostered from attendance at Trade Division meetings is not overlooked. By this means you are afforded the opportunity of a personal contact with credit men in kindred lines, the result of which is a better and broader understanding of conditions relating to your particular business.

Among Those Owning:

A Company is known by the stockholders it keeps.

The American Telephone & Telegraph Co., which derives most of its revenues from its investments in the Bell System, includes among its stockholders many of the big and conservative investors of the Nation, but it has also an army of small investors. It has more than 245,000 stockholders with an average holding of only about 26 shares.

A lineman in Seattle; a supervisor in New Orleans; a night watchman in Boston; a clerk in Philadelphia—thousands of these telephone workers own stock in the System which they serve.

This is a surety against inefficiency and waste. It is a pledge of safety.

A. T. & T. pays 9% dividends on over \$700,000,000 of stock outstanding. Today the stock can be bought in the open market to yield approximately 7%. Full information sent on request.



"The People's Messenger"

**BELL TELEPHONE
SECURITIES CO. Inc.**

D.F. Houston, Pres.

195 Broadway

NEW YORK



There's a Globe-Wernicke Filing Cabinet and Structural Strength Safe for you

One to fit your every need. Learn what it is. These cabinets, wood or steel, with the Safeguard method of Filing will give you a perfect system which will help your business grow. We have helped others. Let us aid you.

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Washington
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Please send us free your books on Filing Cabinets and Safes.

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*The Agent Who Seeks to Give Good Service
Must Himself Be Well Served*



Credit Men: If you desire to render a full measure of service to your house and its customers, become enthused about the Trade Division idea and you will agree, like those of us who are now interested, that it is indispensable!

CIGARS & TOBACCO

Bg Group Chairman P. J. Silberstorff
General Cigar Co. Inc.

A credit man's activity does not consist only of properly opening accounts and then resting on his oars until the next applicant appears. He must also possess the faculty of anticipating a probable future insolvency and eliminating the undesirable risk in as many cases as possible, although it is granted that a 100% accomplishment in this respect is humanly impossible, regardless of the credit safeguards which are available at this time.

How can he obtain the maximum results along these lines? The answer lies in the question appearing at the head of this article. In our trade division, which was organized only recently, the hearty endorsement and satisfaction of all members who are active participants was generally evident even at our initial meeting. The information exchanged is invaluable and could not be obtained in any other manner, as it is a well known fact that a delinquent merchant will keep his credit good in certain quarters in order to extend his credit in new quarters whenever his source of supply of certain commodities is cut off, owing to his habits of pay or other trade abuses, using the firms he is paying promptly as reference.

With further references to merchants
(Continued on next page, 3rd column)

The Legislative Mill

By R. Preston Shealey
Washington Representative of the
Credit Monthly

THE Sixty-seventh Congress is now on its fourth and last lap, and, due in part to the apparent desire of the Administration to avoid an extra session and in part to the business-like budget machinery which reduces to a minimum legislative kinks in appropriation bills, it looks as if the country will not again witness its legislative solons in action after the constitutional adjournment on March 3 until sometime next fall. Appropriation bills are moving through Congress with such smoothness and rapidity that all of them are almost sure to be laws by that date. Speculation is therefore turning itself to what else is going to be enacted by this last session of the Sixty-seventh, and in the future, as to what the Sixty-eighth Congress is going to do.

Needless to say the Farm Bloc is going ahead with a legislative program which it considers is necessary to aid the agricultural districts of the country, while on the contrary, right in the shadow of the dome of the Capitol, progressive Citrus Fruit Growing Farmers, by opening stores for the sale of their commodities direct to the consumer are giving a practical demonstration of how to benefit both themselves and the consumer without the necessity of legislation.

However, too many Senators and Representatives are imbued with the idea that it is absolutely necessary to grind out legislation every legislative day of the year. Therefore, while the appropriation bills are running their

smooth course through Congress we must bear in mind that legislatively potent forces are backing half a dozen measures,—the Administration forces—Abolition of Tax Exempt Securities, Ship Subsidy Bill and Rural Credits; the Agricultural Bloc, Rural Credits, Truth in Fabrics, Filled Milk and Muscle Shoals. Legislative prophets are saying in Washington that the Ship Subsidy Bill cannot get through, and that unlooked for contingencies of Rural Credit legislation are slowing down the wheels under that measure.

As to the Sixty-eighth Congress: Need we fear all this radical legislation that some of our writers would have us worry about? Who is going to control this Congress, the Republicans, the Democrats, or these new groups

that are asking for and getting publicity under the name of "bloccs" and drawing their membership from all parties?

Perhaps the true situation is that things are so complex that there is no element that has sufficient power to drive the steam roller—and this seems to us to be the case.

Work of the Trade Group

(Continued from page 29)

who discount their bills with some houses, the credit men of these particular concerns, supremely satisfied with an account, may be headed straight for a serious and unlooked-for credit loss, which can only be averted by timely and up-to-the-minute information imparted at a trade division meeting.

In addition, members who enjoy the privileges of attending trade division meetings while they may not be interested in all customers who are discussed at the time, they may receive orders from some of them in the future and will have advance information at their command to assist them in judging the risk.

Another good result of trade division activities is the eliminating of the competitive factor, the credit men in one line working in harmony with each other to the benefit of their particular business as a whole.

The writer could point out other benefits but the above mentioned facts should be sufficient to arouse the interest of Association members whose particular trade division is not functioning at the present time.

CONFECTIONERS

By Group Chairman E. R. Holmes,
White-Stokes Co.

The big advantage of trade division meetings is the personal contact that the credit man gains with his fellow-men who are engaged in a similar endeavor although he may be connected with a competitive firm.

At these meetings, which we of the Confectioner's Division hold once a month, we have an average attendance of thirty members, nearly all of whom either sell or have sold virtually the same firms. It can be readily seen what a world of information can be gleaned at a round table talk such as we hold, discussing the statute of different concerns accounts, how they pay, how they are being sold, or what is being done toward collecting an old account.

(Continued on page 39.)

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Books for Business Men

A Group of Reviews Written or Edited

By *John Whyte, Ph. D.*

Director of Research, National Association of Credit Men

Legal Aspects of Credit

LEGAL ASPECTS OF CREDIT. Stanley F. Brewster, J. D. Ronald Press Co., N. Y. 1923. 549 pp.



The title of this book is somewhat misleading. In a general way the book covers the same subjects as those that are treated in the familiar books on credits and collections. The difference in this book is, of course, indicated by its title, for particular emphasis is laid on such subjects as type of business organizations and their legal liability, legal rights and remedies of creditors, insolvency proceedings. The author, in his preface, states that with the information in this volume the credit man will not be able to dispense with professional legal advice, but should have sufficient grounding in certain phases of the law to enable him frequently to get proper legal redress without involving the expense of consulting an attorney. The book may well serve such a purpose if the reader is careful enough not to expect too much legal training and legal information from his study of this book.

The chapters on legal rights and remedies of creditors should be of great utility to the credit man for they deal with the fundamental principles of the legal phases involved. The chapters on insolvency proceedings also stand out for their clear and simple presentation. While the book can not serve as a text book on credits and collections, since it covers some of the major portions of that field in too condensed a way, it affords a valuable supplement to the average text book on credits and collections and ought to find a place on the reference shelf of the credit man's library.

Foreign Trade Technique

EXPORT PACKING. C. C. Martin, American Exporter, the Johnston Export Publishing Co., N. Y. 1921. 723 pp.

Virtually every writer who compares American export trade methods with those of England, or Holland, or Germany, indulges in the favorite pastime of condemning the export packing done by American shippers. This condemnation has been so widespread that successful American shippers who know how to export their goods have grown tired of it. These successful shippers are convinced that their methods of packing have measured up well with those of their foreign competitors. But there can be little doubt that many



DR. JOHN WHYTE

AS PART of the campaign to increase the knowledge of economics in a country that has been called "a nation of economic illiterates," the Credit Monthly has arranged with Dr. Whyte to conduct this department of critical and descriptive reviews.

American exporters who are new in the field and for whom export trade is a matter of secondary importance, have still much to learn. For these shippers as well as for the old fraternity of shippers there has been lacking any adequate manual of instruction. The glib condemnation by writers on foreign trade has been anything but constructive. "It does not get you anywhere" simply to tell American shippers that their shipments must be made in substantial boxes carefully nailed and marked. The remedy for poor shipping can only come from a technical discussion of the problem supported by illustrations. Such a discussion is provided by the excellent book by Mr. Martin which he calls a "Guide to the Methods Employed by Successful Shippers." Mr. Martin's work has been largely that of arranging and assembling material at hand which was furnished him by national and international authorities in the field. His book is illustrated with hundreds of drawings and photographs which show how successful shippers pack their various products. The illustrations and material cover the packing of hundreds of products from agricultural machinery and automobiles to dolls, crackers, glassware, jewelry, canned goods, chicken wire, etc. If any one book can stop the foreign trade writer from indulging in his favorite pastime, this book will do it.

The Psychology of Selling

MODERN METHODS IN SELLING. L. J. Hoenig, Bobbs-Merrill Co., Indianapolis. 1922. 299 pp.



This book deals with the broader phases of the salesman's problems. The chapters cover the "Seller," "The Buyer," "Making a Sale," "The Sales Department," "The Sales Letter," "Selling at Retail," "A Knowledge of the Fundamentals of Advertising Make Better Salesmen." The book does not deal with the mechanics of sales organization. Its appeal is largely to the individual salesman. The author knows how to make use of the contributions which business psychology has made to the discussion of his subject. He steers clear, however, of the pseudo-scientific analyses of salesmen and salesmanship which have had such vogue during the last few years. The author devotes only three pages to the relationship of the salesman to credit. In view of the ever-increasing emphasis that is being laid on the cooperation of salesmanship with credit and collection work,—a cooperation that in large organizations has shown itself particularly effective,—greater stress might well have been laid upon this subject.

A knowledge of the salesman's problem as well as the salesman's characteristics is indispensable to the credit manager who would work in any cooperation with the salesmen of his house. The credit man who demands a greater knowledge of credit methods from his salesmen, is vulnerable unless he possess an equal knowledge of salesmanship, for only thus can the "age-long conflict" between these two vital departments of an organization be resolved.

Business Letters

BUSINESS LETTER PRACTICE. John B. Opdycke. Isaac Pitman & Sons, N. Y. 582 pp.



Few books are equally adapted for study and reading but "Business Letter Practice" is. The average textbook with its pedagogical method and its emphasis on details is likely to drive away the business man. On the other hand,

"Reading good Business Books is good Business."

BUSINESS LETTER PRACTICE

"The collection letter is a sales letter. It sells solvency. It sells customer standing and reputation and credit to the customer. It should build and maintain good-will."

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a book written particularly for the business man is frequently so general in character that it slights fundamentals and is little adapted for class room instruction and, since the business man reads business books for instruction, is frequently likewise ill-adapted for profitable home reading. Mr. Opdycke knows how to combine pedagogical method with a presentation that makes his pedagogy attractive for class room purposes and that adapts it at the same time to the requirements of the business man. The book is eminently practical. The author has gathered together a wealth of letters from some of the most successful business organizations in the country. His critical comments on the letters are highly instructive and suggestive. In addition he makes frequent use of letters that fail to achieve their purpose, in other words, that fail to sell the idea or commodity to the reader.

The book covers the following subjects:

Preface
Symposium on the Business Letter
The Picture of the Business Letter
The Composition of the Business Letter
Selling Personal Efficiency by Letter
Selling the Everyday Transaction by Letter
Selling Satisfaction by Letter
Selling Commodity, Service or Idea by Letter
Selling Credit by Letter
Selling Solvency by Letter
Selling by Circular
Articles for Study and Dictation
Appendix—
Abbreviations
Business Letter Lexicon
Index

A business man who wants something more than mere form letters, something more than general suggestions and ideas, in other words, the business man who wants to learn how to "sell" himself in better English can not do better than to read and study this book.

Economic Consequences of the Peace

AFTER THE PEACE. Henry Noel Brailsford. Thomas Seltzer, N. Y. 1922. 158 pp.



When in 1919 Mr. Keynes in his now famous book, "The Economic Consequences of the Peace," wrote his scathing indictment of the Versailles Peace, he attracted the attention of the whole world because of his position. He had been the representative of the British Treasury at the peace conference and he enjoyed the reputation among economists of being one of the most brilliant, if not the most brilliant, of the younger generation of British economists. His official position and his reputation as a scholar gave weight to his indictment which it otherwise would not have had. Long before Mr. Keynes wrote his book, Henry Noel Brailsford had been attacking the Versailles Peace as before that he had been attacking the Allies' conduct of the war. Mr. Brailsford's opinions which agreed with those of Mr. Keynes were discredited for most men because of his political sympathies. The current comment of the average reader probably was: "Well, (Continued on next page, 2nd column.)"

INFORMING AND INTERESTING

OLD EUROPE'S SUICIDE

By BRIGADIER-GENERAL C. B. THOMSON

A brief, graphic history of Europe during the period of 1912-1919 by one who was himself an important actor in these events and a literary master as well as a general.

The Nation: "Should become a classic."

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Manitoba Free Press: "An extremely interesting book, written in an excellent, graphic style. The descriptions of the campaigns in the Balkan Wars and incidents resulting from the betrayal of Roumania are striking and not easy to forget." \$2.00

AFTER THE PEACE

By H. N. BRAILSFORD

A survey of the condition of Europe as the war, the blockade and the Peace Treaties have left it. \$1.50

INDUSTRIAL REVIVAL IN SOVIET RUSSIA

By A. A. HELLER

This book tells for the first time what is happening in Russia under the new economic policy adopted in the spring of 1921. It describes the slow economic revival that is taking place there as the result of the partial return to private enterprise and trade.

Mr. Heller, a well-known business man who speaks the Russian language and has an intimate knowledge of Russia, went there at the very time the new system was introduced. He spent several months traveling in both Russia and Siberia; so that his book is the first-hand record of a man trained and equipped to observe. \$1.50

OUR ELEVEN BILLION DOLLARS

Europe's Debt to the United States

By ROBERT MOUNTSIEUR

Pittsburgh Chronicle-Telegraph: "This small volume, packed full of statistical information and yet presenting in concise form the particulars of the huge debt incurred by the nations of Europe, with America as the creditor will be found of great value by students of finance." \$1.50

THOMAS SELTZER

5 West 50th Street, New York

NOT a Business Book —BUT a Book for Business Men!

THE MIND IN THE MAKING

By James Harvey Robinson

The trouble with most of our thinking is that it is not thinking at all—the greater part of our so-called reasoning consists in finding arguments for going on believing as we already do. Read this illuminating book to see why—then read it again to see how you can free your mind of this burden, how you can think creatively.

Mr. Edward A. Filene, of Boston, one of America's best known business men, has bought more than 250 copies of this book to give to his friends and associates. Dr. Frank Crane, the famous editor, wrote an editorial on "The Mind in the Making," in which he said, "It is one of the most significant books I have seen recently, and one with which every thinker should be acquainted."

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Reading Helps the Man Rise Above Mere Routine

By E. P. Tuttle

Atlas Shoe Co., Boston, Mass.

SPEAKING broadly, and in a general way, I am inclined to believe that the college man is more likely to be a student of books than the man who has not attended college, although there are among my business and social acquaintances notable exceptions—men who had the advantage of but a limited common school education, perhaps up to twelve or thirteen years of age, but who stand out as exceptionally broad-minded, well-posted men whose judgment is sought and accepted, because they have made up for the lack of educational advantages in their youth by systematic reading. These men enjoy an intimate intercourse with leading writers and are able to discuss their works intelligently and interestingly, which means that they are students in the best sense of the word.

Few credit men, as I understand it, are college graduates. They have come up from the ranks. They are, however, developing fast, and the credit man is being recognized more and more as a vital contributing factor in the success of the business. The credit man who rises above the mere routine of his work is the man who sees the importance of educating himself for better things. As I observe, there is an increased desire on the part of credit men to broaden their work, to acquire more and more of an all round proficiency. They are, therefore, studying books according to definite methods, studying books pertaining to credits, collections, financial affairs, business and economics. A successful credit man must be many-sided, and he cannot become so unless he improves his mind through the selection of books that will make him a master of business fundamentals and ethics.

I believe the National Institute of Credit, in prescribing courses of study for the practical education of the business man is going to lift those who come within the circle of the Institute out of ruts and make its students readers of business books.

An Important Difference in Today's Business

There is a great difference between the opportunities that spread out before the young business men of today and those of earlier days.

Of late years business has been accumulating its records and in its every day practical workings has been subjected to the same methods of examination that have brought out those long hidden truths that make up the science of medicine, biology, psychology and the rest and that have given men an entirely new outlook on life and vastly increased their powers.

Every day business has for the first time been having applied to it the methods of questioning that Louis Agassiz gave to the study of a bit of coral, so that broad business movements are now better understood and the methods that make for success or failure are being tabulated and passed on to the new generation of business men.

The man who would enter in at the gate of business has an inheritance in the form of definite business principles. He finds business not such a hit and miss matter as the older generation found it. The inheritance is his if he but open the growing business literature of the day. He does need to go through the University of Hard Knocks. By reading and systematic study he may take advantage of what his forebears have learned in that school.

More and more, success in business—solid, permanent, well-earned success, depends upon the extent to which the young man taking advantage of his inheritance, observes, weighs and measures the elements of daily business that men have taken the pains to spread before him in printed page and lecture course.

That is the reason THE CREDIT MONTHLY, in its pages, has undertaken to bring home to the business men of America, the wealth of material that is now opening up, so that they may become skilled servants in the cause of the newest of sciences,—the science of business.

W. W. O.

(Continued from previous page.)

what else would you expect Mr. Brallsford to say? He is a member of the British Labor Party and he would naturally find nothing to praise and everything to condemn in the peace." The economic opinion of the world seems now to be overwhelmingly on the side of Mr. Keynes and of Mr. Brallsford who ante-dated him. Whatever may be said against Mr. Brallsford's political theses, his judgments on the economic events of the Versailles Peace have been borne out by subsequent events. If Mr. Brallsford was right in 1919 and 1920 he may again be right in 1922 and 1923. His radical sympathies in themselves constitute no sufficient reason for not hearing what he has to say about the actual events of the peace. Mr. Brallsford attacks the peace because in

If You Have Reason to Believe That A Debtor Is Concealing His Assets

to prevent execution of a judgment, how can you examine into his affairs? If a man, by falsely representing himself as a well known, wealthy merchant, obtains goods from you on credit, can you recover the goods from a third party to whom he has sold them? With what requirements must you comply to insure consideration of your claims against a party in bankruptcy?

QUESTIONS like the above arise every day in credit work. A knowledge of the law involved is simply indispensable to the credit man. It will frequently save even the most experienced from costly errors. Here is a new book which will enable you to deal properly with the legal problems arising out of your credit transactions—

Legal Aspects of Credit

BY STANLEY F. BREWSTER, J. D.
Member of the Federal Bar

This clear, readable volume is the first work to offer men engaged in credit work a thorough grounding in the legal principles of their profession. Primarily designed for the credit executive, it will be invaluable also to the merchant who handles his own credit system and to the man wishing to work up in the credit field.

Explains the Credit Structure

Mr. Brewster—an attorney with wide credit experience—explains first the legal responsibilities of each type of business organization and brings out the nature of sales and sales contracts. His work develops fully the basis and structure of mercantile credits and discusses factors that determine a concern's credit standing.

Shows How to Use the Law

In safeguarding your interests. The author shows explicitly how to invoke the legal remedies a creditor has at his disposal, as attachment, garnishment, and replevin. Further chapters explain the law of negotiable instruments. In conclusion, Mr. Brewster gives working legal procedure for dealing with an embarrassed or insolvent customer. Just published. 549 pages, 31 forms. Cloth. \$5.00.

Every credit man and every business man concerned with credits should have the protection of this new work. Send in the order form below and secure a copy postpaid on five days' approval.

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his opinion it was conceived in terms of capitalistic or economic imperialism and because it has thrown the monkey wrench into the wheels of production. Mr. Brailsford interprets the war and peace in terms of economic motives. He says: "If you would know what a war was about, study the terms of peace."

"We know, more or less, what sort of terms the enemy would have imposed, had he won the war. The Treaty of Brest-Litovsk was a specimen. The proposal to take in whole or part the mineral resources of Belgium and Northern France shed a ray of light upon motives. The hand and brain of this German capitalist society worked with a certain brutal frankness. Turn to the Treaty of Versailles and its sequels, and the same thinking, half-strategic, half-economic, is no less legible. Here, coal-fields, there oil-fields, elsewhere great tropical estates are appropriated; whole chapters rob the industry of the vanquished of its tools, its ships, its raw materials, its iron, its coal. Other chapters stamp out the agencies and the rights on which its foreign trade had depended: the "penetration" of German capital outside German territory is ended once for all, and the "penetration" of Allied capital imposed, organized and legalized in its place. A responsible Liberal Minister blurted out in Parliament, midway in the war, the truth that our war-aim was that German trade should never again "raise its head." That intention is written all over these Treaties. The capitalistic motive is revealed not merely in the fact that in trade and territory we took much for ourselves. It was revealed even more clearly in the elaborate measures which we adopted to ruin our chief competitor."

No more urgent appeal to consider the world as an international economic unit can be found than in Mr. Brailsford's writings. He shows how that strange conception of British business men that by destroying German competition in ship-building, dye industries, etc., they and Britain would profit, has resulted in untold suffering not only for the Germans but for the British. When the German ship-building industry was laid waste for the first few years after the war at least, the British ship-builders rejoiced at the destruction of so formidable a competitor. But they soon found that the unemployment in Germany which came from the paralyzation of German ship-building and other industries, resulted in the cutting down of British export trade to Germany. British ships had no cargoes to take to Germany, for the unemployed workers of Germany had nothing wherewith to buy them. Thus the very destruction of competition which had at first seemed to be a promise of monopoly and all the profits of monopoly to the British acted as a boomerang. The lesson of the economic interdependence has not yet been completely learned. There are still some who believe that England, France and Italy can prosper with Central Europe and Russia no longer economic competitors.

Only time will tell whether Mr. Brailsford's present interpretation of events is as good as his first post-war writings were. In his present views, though not in his political theses, he now finds himself joined by bankers and the most conservative elements in society.

At the conclusion of his book he proposes some guiding ideas for British actions and policies of whose adoption he says he is not sanguine. In the light of the swiftly moving events of the last few weeks it would seem that again events are running to support some of these ideas which at first seemed radical and impossible of fulfillment. He proposes four policies:

"1. The first step would be to put an end to the informal Alliance of the Victors. In plain words, all the Allies must understand that we (the British) take no further responsibility for the enforcement of any of the Treaties, if they on their side refuse to bring them into conformity with humanity and economic reason.

"2. Our acts of sacrifice should be, if others will reciprocate: (a) to cancel all the Allies' debts to us; they are probably bad debts in any case, and they destroy good relations; (b) to forego our part in the German indemnity; (c) to offer to share out such prizes of victory as the oil of Mesopotamia and the phosphates of Nauru, according to the world's needs; and (d) to give up our unlimited right of blockade, and reduce our navy drastically, if France and the United States will join us in accepting and imposing a genuine and impartial scheme of disarmament by land and sea.

"These offers will probably fail. America will prefer to retain her isolation, her navy and her absolute sovereignty, and France her militarism.

"3. We should next propose that the German indemnity be reduced to a possible and honest figure, and paid, preferably by reparations in kind: (a) in labor and materials for the restoration of Northern France, and (b) in coal (including the yield of the Saar) to balance the destruction of the French mines.

"If France refuses, as she probably would, to make these concessions, we should withdraw our troops from the Rhine, and wash our hands of the consequences to France.

"4. Our positive policy for the restoration of Continental Civilization should then take the form of the foundation of an Economic League. The League of Nations, as it now exists, is all but useless, if America will accept its Covenant only with reservations which destroy it, while France is avowedly hostile to the whole idea, and Germany and Russia remain outside."

The point of view of any one whose record for post-war analysis is as good as Mr. Brailsford's deserves to be read, whatever our political prejudices are. Moreover, since he is a member of the British Labor Party, which is now the party of opposition to His Majesty's government, there is an added interest to his views for they are now capable of being transmuted into political action by a large group in British public opinion.

Getting the Newspapers to Help You

GETTING YOUR NAME IN PRINT. H. S. McCauley, Funk & Wagnalls Co., N. Y. 122 pp.

How much space the newspaper devote to the local creditmen's association depends little upon the size of the association or the importance of the speakers who address its meetings. Some of the smallest organizations get much space: some of the largest are almost ignored.

"Reading good Business Books is good Business."

No matter how closely in touch with the local press the officers of an association may be, they are likely to get valuable hints from this little book which outlines, for those who deal occasionally with the newspapers, "broad principles of conduct and attitude that will promote mutual friendship and understanding—and profit." Among these principles are:

1. Be accurate, complete and above all early with the news you take or send to the papers.
2. Have a convenient table for reporters at banquets, even if they arrive late and show little interest.
3. Do not fawn upon reporters or try to bribe them; do not look down on them. Simply treat them squarely and as guests.
4. Go out of your way to help the papers when they ask for information.
5. If the papers give you less space than you think you deserve, don't complain: if they publish what you send them, be profuse in your thanks.

The Credit Man's Manual

THE CREDIT MAN'S DIARY AND MANUAL OF COMMERCIAL LAWS—1923.
Edited by William Walker Orr and a national staff of attorneys. Natl. Assn of Credit Men, N. Y. 1922. 480 pp.

This Diary and Manual, now in its fifteenth year, has probably done more than anything else could do to impress upon the men who are practicing in the credit field the fact that every credit created is a right of action created and that they must see to it that the credit is extended in full knowledge of the laws which make that right of action clear and enforceable in case necessity arises to take the issue to court.

Of all this the credit man heretofore had a more or less hazy notion. This Manual, developed in direct response to his needs and presenting the legal aspects that bear on credit risks, has served to dispel the haze and to give the credit man a better view of the legal side of his increasingly exacting responsibilities.

Perhaps the most important changes made in this year's edition are those under the Bankruptcy Law where we find, instead of a mere summary of the law, the complete text of the statute together with a carefully prepared introduction. In this the attempt is made to define the duties of every person who participates in the handling of a bankruptcy case and to offer to the credit man rules which if adopted and followed will result in cleaner bankruptcy practice.

Also under the head of bankruptcy there is presented this year for the first time, not only the list of referees in bankruptcy throughout the United States but the jurisdiction of each referee.

The jurisdiction of justices of the peace for the various states is given for the first time in response to a demand made by some users of the Manual.

The valuable consolidated index of all subjects covered, which brings to light the remarkable richness of the volume, is this year conveniently placed at the beginning of the volume. Every user should make a point of reading the index through that he may know what this credit department facility has for him.

It is no exaggeration to say that in this book are compressed more matters of vital interest to credit men than have ever before been systematically assembled in one volume.



"The National Association of Credit Men has frequently urged the importance of a house talking to customers through well written letters. No subject in credit work is worthy of more consideration. Writing the letter that will attract the kind of attention the writer wants to attract, the letter that has the 'pull,' is almost the highest thing the credit man should desire."

THE above quotation, from a recent article by H.P. Reader in "The Credit Monthly," expresses a sentiment which every member of the credit fraternity would do well to ponder. The largest part of the average credit man's work is carried on through the written letter. This is his chief working tool, and his efficiency in using this tool largely determines his efficiency as a credit man.

FOLLOW the example of thousands of other business men, and let BETTER LETTERS help you in the all-important matter of increasing your correspondence efficiency. This book covers the fundamentals of the

subject. It tells you in a direct, commonsense, stimulating way what to do and what to avoid doing if you want your letters to be alive, persuasive, correct, pleasing, distinctive—if you want them to inspire respect, confidence, good will—if you want them to accomplish the purposes they ought to accomplish.

THERE are bigger (and duller) books on the subject, but none more simple, helpful and practical. BETTER LETTERS will interest you from cover to cover, and the information it contains will be worth several times the cost of the book in every day's correspondence that you handle after you have read it.

What the N. A. C. M. Officers say about "Better Letters"

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Second Vice-Pres. C. W. DUPUIS

"I have read BETTER LETTERS carefully, and am very much pleased with it. Enclosed find draft for six additional copies."

Secretary-Treasurer J. H. TREGOE

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Street and No.

City..... State.....

Business

Education After Forty

By John M. Thomas

President Pennsylvania State College

THE college graduate who threw his newly-won diploma in the air and shouted, "Educated! By Gosh," expressed a very common error. It is quite natural to think of education as confined to the discipline of school and college, and to forget the opportunities for continuous education that follow one all through life.

One of the best educated men I ever knew was obliged to leave school at thirteen years of age to sell papers on the streets of Boston. He acquired his education by reading—reading constantly evenings, Sundays, on commuters' trains, and business trips, reading whenever he had a few minutes not occupied by business or social relations with helpful friends. He read some novels and current literature, but he gave more time to history and biography, pushing his way through Gibbon's "Rise and Fall," Motley's "Dutch Republic," Morley's "Life of Gladstone,"—the great books that have left their mark upon the centuries.

The best of his education was acquired after he was forty. It was only then that he learned to read as the scholar reads, by subjects not by single treatises. He would select a subject in which he was interested, some phase of economics or political or social science, and work at that subject for months, often consulting and even mastering a score of volumes in so far as they related to his particular topic of inquiry.

Read By Subjects Not By Titles

Just here is the trouble with most business men when they start out to read seriously. They read by books, not by subjects of investigation. They take up a volume, say Keynes' "Economic Consequences of the Peace," and then instead of searching for others on the same topic, including those who maintain different views, their next selection may deal with industrial management or the problems of British rule in India.

No man, college graduate or not, can ever become educated or well-informed by that method. Desultory reading of books is little better than desultory reading of newspapers and magazines. Only by reading by subjects, connected single topic, can a man arrive at the mastery of thinking which is the mark study of many good authorities on a of an educated man.

Systematize Your Reading

Any intelligent business man can acquire as good an education as many college men actually possess if he will set himself to the thoughtful reading and comparison of the best books on definite topics. Any good librarian will be pleased to recommend a list of books and articles on any suggested subject, or even to suggest the subject upon which one would find several volumes discussing the matter from different angles.

Do not read a book now and then, but study subjects and in your study consult all the authorities you can find on the subject you are investigating. By this method one can continue profitable education all through life.

Reading good Business Books is good Business.

No Excuse Today For Being Uneducated

By John E. Norvell

Norvell-Chambers Shoe Co., Huntington, W. Va.

President, National Association of Credit Men

IN the good old days when the facilities for gaining an education were not so favorable as those enjoyed by the present generation, there was some chance for a man in business with only a limited education. Even then, however, he labored under a handicap and embarrassment.

With the establishment of our splendid school system and enlarged opportunities for learning, the excuse for failure to get an education no longer exists; and the man in business today without an education, finds himself poorly equipped to meet the highly organized competition which confronts him.

Fortunately the fact that one has been denied a college education is not a fatal mishap, for we have today, as never before, opportunities for self-improvement by reading. There are many books on the shelves of the public libraries ready to yield a liberal education. They are constantly extending an invitation to us to come and share of the hard earned experience and best thought of other men. There is really no excuse for the man who says, "About all that is available to me is the newspaper." As a matter of fact, upon a cold analysis, it will be found that the average man perhaps wastes more time over his

daily newspaper reading than in any other way.

As an organization, the National Association of Credit Men should encourage and stimulate the desire for reading good books. They are not only educational, but refining in their influence upon the home and business life. Their importance cannot be over-estimated nor can the real pleasure they give be appreciated without experience.

Our Association has taken an advanced step in its efforts to increase the knowledge of economics among members; we have organized our local chapters of the National Institute of Credit for our credit men and their assistants. These classes should receive our loyal support. As a matter of fact there is not a credit man within our membership who could not well afford to take advantage of all the courses with profit to himself and his house.

In these days of specialized business and highly trained business organizations the best of talent, mental equipment and stores of information are needed—yes, demanded. There is always room at the top for men who are ambitious to succeed, and willing to subordinate their desire for mere amusement to the thought of undivided loyalty and service.

Business Men Able to Select Books Most Useful to Them

By Pres. P. R. Kolbe

Municipal University of Akron, Ohio

I DO not believe that the average business man is at all likely to waste time in reading of any sort, haphazard or otherwise. He strikes me as fully capable of picking out what will be most useful to him. There is no reason why "a man's capacity to study books" cannot be developed after the age of thirty-five.

Much of the most successful work in many of the colleges and universities is done by adult students in the evening colleges. Naturally a great many of these have never had much formal preparation.

No doubt many business men can make up, to a large degree, much of the lack of previous education by reading. This is true, however, chiefly from the informational standpoint. The discipline of hard study is usually learned by the age of twenty-one or not at all. Naturally there are exceptions to every rule.



HOW THE SUCCESSFUL INVESTORS MAKE MONEY

It doesn't matter whether you are a large investor or a small one, a merchant or a manufacturer, this book shows when the tide of business is in your favor—how long it is going to flow—and most important, when you should take advantage of it.

Thousands of business men, bankers, financiers, and men of affairs study carefully Brookmire forecasting methods as a preliminary for setting policies, making plans and investing large sums.

How are business statistics made and used? What are secular trends and seasonal variations? What is correlation? How are business barometers made and used? These are a few of the

questions answered in this complete little book of 132 pages. It is simply written for the layman to quickly grasp, well arranged and illustrated with graphic charts, bound in limp fabrikoid and lettered in genuine gold. This book is a nugget of condensed useful information for \$2 postpaid.

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Do you make it a **RULE** to increase your insurance in proportion as you add to your equipment? *Get your local "Springfield" representative on the wire TODAY.*

SPRINGFIELD Fire & Marine Insurance Co., of Springfield, Mass.

There is a "Springfield" Agent in YOUR town

Established
1849

Cash Capital
\$2,500,000.00

**BANK ACCOUNT AS
CREDIT INDICATOR**
(Continued from page 7)
matter of being too proud to set out

one's affairs or of not being able to offer a good statement? Is the man possessed of ample means or is he a big bluffer, a frank and straightforward in-



The accounts of the public utilities

If you had 300,000 charge customers, how would you keep books?

Great public utilities, with that many accounts—or more—answer this question by insisting that their smooth-running organization must have the very newest and "fastest" record-keeping equipment they can buy.

That equipment, in many large cities is **DeLuxe Loose Leaf**, sold by the leading local stationers.

Your stationer can tell you about **DeLuxe Loose Leaf Systems**, for your own office.

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ASK YOUR STATIONER

**DeLuxe
Loose Leaf
SYSTEMS**

Your stationery store is a "Service Station" for DeLuxe Loose Leaf Systems. You will find there every item of Loose Leaf your office needs. You will also find enlightenment and help in systematizing your record-keeping methods. New time-and-money-saving appliances are being frequently introduced through your stationer.

Make it a point to talk "office equipment" with your stationer.

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You Need Health Protection; the watchful eye of science making a periodical inventory of your physical condition as revealed by Urinalysis. This is Protection from some internal disease getting a grip on your system unsuspected.

We are the original **STAY WELL SERVICE**. We are giving Analysis Protection to some of America's biggest executives. Our Service is invaluable to you. It takes but four minutes of your time and costs but \$15.00 per year.

You owe it to yourself and your family to investigate this.

Our booklet, "Why People Die Too Young," tells the whole story. Write for your copy.

National Bureau of Analysis
C. M. 23 Republic Bldg.,
CHICAGO, ILL.

dividual or a smooth character, an honest man or one unsafe to deal with?

The refusal to make a statement never contributes to the credit of the one who refuses. If the banker asks for a statement, as he undoubtedly will, it should be given fully and willingly; first, because it affords a correct basis upon which to form conclusions, and second, because it is only fair that the banker should know. He cannot act intelligently until he knows the facts.

Banks which operate on the basis of sentiment, generosity and heart-throb stuff, rarely prove of any service to the community in the long run. In a peculiar sense the first duty of a bank is to remain solvent. It has not been of help to the farmers of the Northwest that so many banks have failed in their behalf. That banks remain solvent is so important to the public that they have been singled out among all lines of business for special governmental inspection.

The dispensing of credit is one of the most responsible features of banking, for it may be the means of the making or breaking of the business man or firm unless handled with great care and discretion. The banker wants to know you. He wants to know you as a man, with a reputation, a name that stands for integrity, a personality and a business head. He watches you. He watches your account as an indicator of the way in which you transact your business. Nothing will make you a desirable patron or enhance your credit standing so much as a satisfactory account; and nothing will help you in the field of business more than a cash reserve ample for your business.

You and your banker will both benefit from a reciprocally satisfactory bank balance.

Work of the Trade Group

(Continued from page 30.)

We know when the information is given that it is accurate and always right up to the minute and further it is known that such information is given for the benefit of the credit department to aid them in eliminating losses. It is confidence that each man has in his acquaintances at these meetings that make them attractive and worth while to the credit man and the firm which he represents.

This is the fourth year of the Confectioner's Division's existence; and there are among our members some who have missed scarcely one meeting. We account for this regular attendance by the fact that there is always something new coming up at each meeting that is of benefit to everyone, and by non-attendance they are sure to lose the benefit that will directly affect them.

Our slogan is "Your Gain is by Your Attendance."

MUSIC TRADES

By Group Chairman L. W. Peterson, Gulbrandsen-Dickinson Co., Chicago

The Music Trade Division has been functioning now for about two years. We meet once a month. As soon as the dinner is over, the lists of names of dealers in our lines are read out and reports made as to their methods of paying, or of not paying, as the case may be.

Even in the early stages we gathered valuable data that members of the group saved themselves a good many dollars. The thing that has particularly attracted attention is that there were some few engaged in our industry who looked with disfavor and suspicion upon the Music Trade Division. At first they did not participate, but have since joined and are now for it strong.

We now not only discuss names of customers, but other matters are presented for discussion, particularly the

various problems that confront the piano manufacturer who is doing business on a conditional sales plan. We discuss ways and means for bettering conditions in the extending of credit, and making collections in our industry.

Positions Wanted

Use The Credit Monthly to get in touch with a new credit manager or assistant. This column is for the free use of members and member concerns who want positions or have positions to fill.

CREDIT MANAGER OR ASSISTANT—Age 26; four years' experience in credits, collections and accountancy; wide practice in handling successfully difficult credit problems. Services available on one week's notice. Salary \$2,500. Address Advertisement 770.

EXPERIENCED FINANCIAL MAN—Now holding responsible position with large manufacturing concern, is open for position offering advancement. Twenty years' experience in bank and in commercial credits and collections. Confident and energetic manager. Understands financing and has wide acquaintance among bankers and credit men. Address Advertisement 771.

CREDIT COLLECTION AND OFFICE MANAGER—Seeks future with well established concern; fifteen years' experience; unquestionable references. Age 35, married. Address Advertisement 772.

WANTED—Position as assistant to manager foreign department. Two years in France. Have working knowledge of French and Spanish languages. Past experience, statistical clerk and salesman. Address Advertisement 773.

CREDIT AND COLLECTION MANAGER OR ASSISTANT—With wholesale or manufacturing establishment. Have had 15 years' experience in short and long term credits, knitted and woven fabrics, installment furniture trade throughout the United States, general accounting and management. Results tactfully secured. Philadelphia or vicinity southeastern or southern cities preferred. Christian, married, moderate salary. Address Advertisement 774.

CREDIT AND COLLECTION MANAGER OR ASSISTANT—Six years' successful experience with a leading jobbing house handling dry goods and footwear. Loss record clear. Thoroughly competent to assume complete control of credits and collections. Excellent references. Available immediately. Salary \$2,500. Age 29, married; graduate of university. Address Advertisement 775.

CREDIT MANAGER OR ASSISTANT—Formerly with large rubber company, now with internationally known oil company. Age 30,

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LIFE INSURANCE COMPANY
OF NEW YORK

married, college graduate with legal training. Officer in World War. Possesses executive and managerial ability. Excellent references. Address Advertisement 776.

Addresses Wanted

COUTURE, MADAM CLARA, previously ran a millinery business at 245 Rue St. Jean, Quebec, Canada. Reported to have left for the United States.

DAVIES, CHARLES H., formerly of Wiloughby, Ohio, later at St. Catherine's Ontario, and now believed to be in the neighborhood of Buffalo or Niagara, N. Y.

FRANKEL, L., formerly at 1522 W. Susquehanna Ave., Philadelphia, Pa.

HARRISON, JACK, formerly located at 928 Lee St., Alexandria, La. Reported to have gone to Chicago.

LARCOM, HAROLD A., formerly of Rio Grande, N. J. Believed to be located now somewhere in California.

LA RUE, ARTHUR J., recently located at 619½ Main St., Springfield, Mass.

LEVIN, A., Los Angeles Mercantile Co., 308 West 10th St., Los Angeles, Cal. Now believed to be in the Story Building, Los Angeles, Cal.

LORRAINE CANDY CO., recently operated by Nicholas Loukopulos, at 9 North Board St., Trenton, N. J.

PARKER, J. J., formerly connected with the Electrical Audit and Rebat Co., St. James Bldg., 113 Broadway, New York City.

STEWART'S EXPRESS, formerly at 22 So. Wycombe Ave., Lansdowne, Pa.

SUKERMAN, SAM, trading as the Star Wall Paper Company, 736 Snyder Ave., Philadelphia, Pa.

TEATS, W. C. ICE MANUFACTURING CO., of North Cumberland, Pa.

UNIVERSAL RECORD PROTECTOR CO., formerly operated by Max Mokin, at 104 Fifth Ave., New York City.

WHITE WAY DRUG STORES, INC., formerly located at 170th Street and Broadway, New York City.

YOUNG, J. R., former proprietor of the Duquesne Plumbing Company, Duquesne, Pa. Believed now to be in California.

Information Wanted

Members having had dealings with the **ELECTRICAL AUDIT & REBATE COMPANY**, St. James Bldg., 1133 Broadway, New York City, please communicate with this office.

Members having dealings with **C. P. GOOLSBY**, a man between 45 and 50 years of age, smokes cigarettes incessantly, uses excellent English, about 5 feet, 10 inches in height and weighs about 150 pounds; claims to be a member of the Shrine Temple at Birmingham, Ala., please communicate with this office.

Members having dealings with **A. GROSSMAN**, Grifton, North Carolina, using address P. O. Box No. 111, please communicate with this office.

MANAGER WANTED

FOR

GENERAL MERCHANDISE STORE IN PACIFIC NORTHWEST

This store is located in a small industrial town with a big payroll. Large farming district tributary. Established firm with ample capital has discounted its bills for twenty years. Annual retail sales average about \$300,000.00, with some wholesale and other business. Brick building, electric lights, steam heated and thoroughly modern.

We want an able, energetic manager of ample experience, some of which, at least, should have been acquired in the West. Must be able to consistently show quick turnover of merchandise, low overhead expense and a growing business in all departments. Ability to write result-getting advertising and good business and collection letters desirable. Must be able to furnish bond at our expense.

This is a splendid opening with an old firm which has an enviable reputation and business standing.

Strictly modern house, at very nominal rent, immediately available, if desired.

Write fully in first letter, stating age, education, size of family, salary expected to start and going into specific details as to experience. References required—preferably from past employers. A recent photograph, if available, would be appreciated.

All communications will be treated as strictly confidential.

Address Advertisement 777, The Credit Monthly.

"The Leading FIRE INSURANCE CO. of America"



WM. B. CLARK, President

More than a Century of Service

Aetna Policies

give full protection and cover

Fire	Sprinkler Leakage
Marine	Registered Mail
Automobile	Parcel Post
Tornado	Tourists' Baggage
Rent	Salesmen's Samples
Rental Value	Transit Floaters
Leasehold	Automobile Truck Transit
Use and Occupancy	Explosion
Profits	Riot and Civil Commotion

Losses Paid over
\$210,000,000

AGENTS AT ALL IMPORTANT POINTS

Statistics (Facts)

(Continued from page 10.)

business expands too rapidly in 1923, look out for the reaction which is certain to follow! Watch the sign posts. A close study of the trends of your industry will indicate when your consumer demand falls off, when you should stop ordering, how large your stocks should be, when production will be curtailed, when raw materials will be low, when prices will be low, when you should order, when shipments are closely following orders, when the period of expansion has arrived, and when prices will be high. Why should business men grope blindly in the dark when the actual facts of their industry are at their disposal through the medium of pamphlets and charts of the government departments, trade associations, the banks, private business services, and the newspapers?

GUIDES FOR SALES MANAGER AND PURCHASING AGENT

Business men are coming more and more to recognize the importance of internal statistics in their organizations. Future policies in a trade are often based on the past statistics (facts) of the trade organization. The forecasting of budgets for the succeeding month is practised extensively by many large organizations. The use of statistics in the sales and purchasing departments is of growing importance. For instance, the sales manager by comparing his sales with the sales of his trade association often can determine whether his salesmen are getting the company's share of business in the trade. He can compare his salesmen's records in each territory. He can analyze the territories and determine what share of the business in any territory his house should receive. He can determine how often his products turn and thus eliminate dead lines. He can find promptly his daily, weekly, and monthly average sales and determine his seasonal variations in all lines. By taking periodic tests he can determine whether his organization is losing money on small orders.

The purchasing agent will also be interested in his turnover on certain lines and his seasonal variations. He should study the curves of his industry, that he may determine when to buy for stock, the approximate size of his stocks at any time, how his stocks compare with the rest of his industry, when the demand for any line is increasing, the supply of raw material available, and transportation conditions. The treasurer, the credit manager, the comptroller, the advertising manager, in fact every executive of an organization should be familiar with the trends of his industry.

The next depression will cause a new crop of failures, but those houses which keep informed on the statistics (facts) of their industry, and base their policies on these facts, will not be found wanting. They will be prepared for the depression and ready to take immediate advantage of the expansion which follows.

Organized
1853



Cash Capital
\$18,000,000

STRENGTH

Even regarded by itself, the quality of great financial strength in a fire insurance company is an asset not unappreciated by a policy holder, but—when he receives a policy of The Home of New York, he is obtaining not only the strength of “the strongest,” but combined with it, the service and reputation that have made The Home—America’s Largest and Strongest Fire Insurance Company.

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

56 Cedar Street, New York

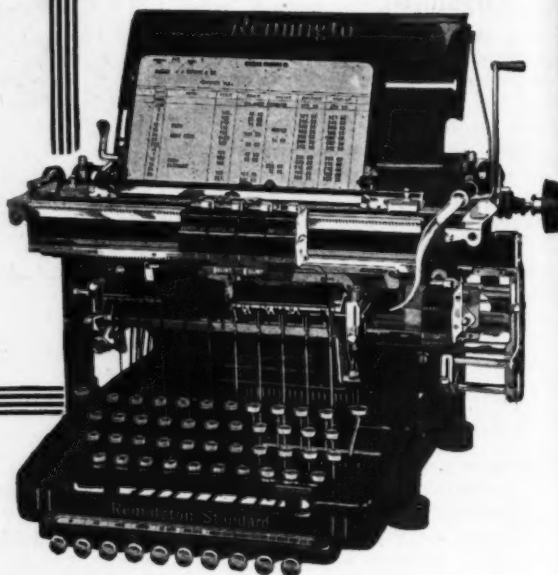
Automobile (Complete Cover in Combination Policy), Earthquake, Explosion, Fire and Lightning, Flood, Hail, Marine (Inland and Ocean), Parcel Post, Profits and Commissions, Rain, Registered Mail, Rents, Rental Values, Riot and Civil Commotion, Sprinkler Leakage, Tourists’ Baggage, Use and Occupancy, Windstorm.

STRENGTH

REPUTATION

SERVICE

Combines all operations in one



Equipped for Ledger Posting

This, in a nutshell, tells the story of this peerless mechanical bookkeeper—how it saves time and cost by cutting out needless separate operations—how it strengthens and improves every bookkeeping system.

In *Ledger Posting* it makes all the entries, keeps every ledger account always balanced, accumulates daily posting totals, and furnishes a controlling account. And it does all these things in *one operation*—the simple act of posting. In *Statement Writing* it renders the same service—performed in the same way.

It's the same through the whole range of bookkeeping tasks—in every line of business. The Remington Accounting Machine is not only complete in its service, but complete in the safeguards it provides against errors. Even the correct writing of totals is absolutely safeguarded, for our new Automatic Lock Proof of Clearance stops the machine instantly if an incorrect amount is written.

Write to us for our illustrated booklet, "The Story of the Totalizer." It will describe to you how the Remington Accounting Machine combines all operations in one, and its wonderful adaptability to any and every requirement of bookkeeping and accounting work.

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A good Accounting Machine deserves a good ribbon.
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This is the Totalizer. Small in size. Enormous in efficiency

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FOR BOOKKEEPING IN ALL ITS BRANCHES

Prize Competition

THROUGH the generosity of the Paint and Varnish Club of New York City a fund of \$375.50 has been turned over to the National Association of Credit Men from which fund each year \$50.00 is to be awarded for the best article on Credit Office Practice and Technique until the fund is exhausted.

The Board of Judges having charge of the competition is made up of the sub-committee on Prizes and Honorary Degrees of the Supervisory Committee on Education of the National Institute of Credit. The members are:

Chas. W. Gerstenberg, Prof. of Finance, New York Univ., N. Y., Chairman; Geo. J. Clautice, Treas. Lyon Conklin Co., Inc., Baltimore; David Golieb, Einstein Wolff Co., 1113 B'way, N. Y.; Fred R. Fairchild, Prof. of Economics, Yale Univ. New Haven; Dean A. B. Wright, Univ. of Pittsburgh; J. H. Tregoe and Dr. John Whyte.

CONDITIONS

1. The competition is open to any one who handles credits for a house holding a membership in the National Association of Credit Men, or to any student in the National Institute of Credit.

2. All papers shall be in the hands of Dr. John Whyte, 41 Park Row, New York, not later than August 1, 1923.

3. The Board of Judges have complete authority in awarding the prizes. This authority will include the right to make such modifications in the competition as may be necessary to its best conduct.

4. The winning paper and such others as the Board may select will be published by the Association in the CREDIT MONTHLY or as a pamphlet or in any other way the Board may see fit.

5. The exercise of privilege of publication of the prize essay or other essays shall not preclude the use of the manuscript as a thesis for candidacy for an academic degree.

SUBJECTS

The following list of subjects has been suggested for the competition. The Board of Judges will, however, consider papers on other subjects chosen from the field of credit office practice and technique.

1. Methods of handling orders and credit information for rapid checking.

2. The use of the ratio of past dues to outstanding accounts in the control of credit.

3. Methods of showing results obtained in collection and credit work.

4. The interpretation of credit interchange reports.

5. Credit ratio analyses and their use in determining credit risks.

6. An effective collection system.

7. A description of a set of useful credit department forms.

8. Has any improvement in the treatment of insolvent concerns been revealed in the statistics of the failures?

9. A survey of 100 credit men indicating the extent to which they use the several sources of information in credit granting.

10. Methods of collecting accounts closely without loss of good will.

11. How to keep down the bad debt loss without the sacrifice of desirable business.

12. How does credit insurance compare with other forms of insurance from the standpoint of necessity, desirability and cost?

13. The routine of a modern credit and collection department.

14. To what extent and how can a credit man delegate credit work.

Contents of March, 1923, Issue of

THE CREDIT MONTHLY

A National Magazine of Business Fundamentals

(Member, Audit Bureau of Circulations)

Published at 41 Park Row, New York, by the

National Association of Credit Men

William Walker Orr, Editor

Rodman Gilder, Managing Editor

"READING GOOD BUSINESS BOOKS IS GOOD BUSINESS"

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Putting a Q in the Four C's

CHARACTER, Capacity, Capital and Coverage form the basis of credit. Is coverage in itself sufficient? For there is **QUALITY** in insurance.

To quote the Encyclopedia Britannica, "Insurance is, for the most part, like every other product of human skill, best supplied to the market by those who make it their calling to produce it for gain."

With this in mind, consider stock and mutual insurance.

STOCK insurance is supplied to the market by those so confident of their skill and of the reliability of their plan of finance that they risk their own capital to produce insurance for gain.

In stock insurance the policyholder *transfers* all his risk to the insurance company. Behind his policy is the capital and surplus, as a guarantee that if the policyholder suffers a loss it will be made good. And behind the capital and surplus are reserves, required by law, covering all unpaid liabilities and unearned premiums, thus holding the insured absolutely safe.

MUTUAL insurance is supplied to the market by those with so little confidence in their skill and in the reliability of their plan of finance that they will not risk their own capital but let the risks rest on their policyholders.

In mutual insurance the policyholders simply *swap* their individual risks for a collective risk. There is no capital to guarantee that losses will be made good. Any surplus for such purpose the policyholders must put up themselves. The policyholders may or may not be contingently liable to assessment. If so liable, the policy may prove to be a liability rather than an asset. If not so liable there is no guarantee behind the premiums that losses suffered will be made good.

Edson S. Lott, President

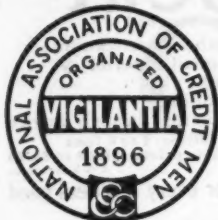
United States Casualty Company

80 Maiden Lane

New York City

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• EDITOR •

WILLIAM WALKER ORR

Another Socialistic Proposal

HERE is before the legislature of New York a bill bearing the innocent and innocuous title: "An Act to Amend the Workmen's Compensation Laws."

By a few strokes of the pen and the addition of a score or two of words, this amendatory bill would absolutely socialize the workman's compensation business of the greatest industrial state. It would remove what has proved to be the corrective influence of private enterprise, replacing with purely political management over a vitally important service to the workers of the state, the growingly efficient management of the workmen's compensation fund as provided by insurance companies which, by the way, serve the public under strict governmental supervision.

The truth is that the state as a carrier of the workmen's compensation fund, despite friendly provisions, has been losing ground while the privately conducted enterprises have been gaining ground. If the state operation under favoring conditions cannot compete with privately conducted enterprises, do we need further proof that if the latter is legislated out of existence the result will be an additional tax upon industry?

Sound in Principle; Practicable in Operation

THE subject of adjustments and adjustment bureau service as performed by the National Association of Credit Men was before a group of three or four hundred credit men in recent conference.

A show of hands was asked on this question: "Is the principle sound upon which is based the Adjustment Bureaus for the handling of credit breakdowns?" The expression was unanimous that the principle is thoroughly sound.

Next came the question: "Do we have in the Adjustment Bureaus a workable and practicable mechanism or facility, or is the theory upon which they are based attractive without being workable in every day business?" To this question the answer was unanimously in favor of their practicability. As a natural sequence followed an-

other question: "Why then are the seventy adjustment bureaus operating under the National Association of Credit Men and located for the most part in our commanding markets, entrusted with the care of such a small proportion of the total number of credit breakdowns?" The liability in failure cases during 1922 is estimated at six hundred million dollars. These are the figures furnished by the commercial agencies; others have placed the liabilities involved in all sorts of credit breakdowns during the year as high as a billion dollars.

It is known that the proportion which represents the proportion of these credit breakdowns handled by Adjustment Bureaus of credit men's associations is small. When the question was asked why the fraction should not be larger, the answers were varied, but the most significant answer was to the effect that while the members of this representative group had confidence in the bureau nearest them and were using it liberally in cases within its jurisdiction, they did not know enough about the other bureaus to entrust to them their claims.

This conclusion reflects badly on the association management and on the members themselves. It reflects on the members because they should have taken the trouble to get such facts regarding their own bureaus as would give a basis for confidence, or should have satisfied themselves that the officials of the National Association are alert in keeping the bureaus up to efficient service, and would act vigorously upon complaints and serve as an effective court of appeals against abuses and inefficiency. Besides, it is probably true that these members were referring their cases to individuals or organizations about whose ability to conserve assets and handle breakdowns they had far less means of getting information than they had regarded individual Adjustment Bureaus operating under the National Association of Credit Men.

The conclusion also reflects badly on the association, because it meant that the officers had not kept these adjustment bureaus before the members in such manner as to win confidence. They had not been talking consistently enough about the service rendered, the waste prevented, and the debtors who had been put back on their feet and given the help necessary to pay out every dollar of their indebtedness, all because these were ready-for-service, capably conducted Adjustment Bureaus.

The Adjustment Bureaus of the Association have passed out of the period of experiment. There record entitles them to confidence. It should become as natural to call them into service in cases of credit breakdown as for the head of the household to call in the physician when a member of the family falls sick.

Providence and What Its Service Means to the State

READ the amazing figures of the savings of the American people, as set out by savings institutions and life insurance companies at the close of 1922, and one cannot but feel that Poor Richard and his fellow propagandists, in the importance of preparing for the inevitable rainy day, were master educators.

There will always be those to whom the lines:

"For age and want save while you may, No morning sun lasts a whole day,"

will never cease to apply until the hour that the morning sun has reached fiery noonday or has gone behind the thick storm cloud or left the world dark as it sets behind the western slopes.

Providence or foresight characterizes the present age in higher degree than ever before, and the fortunate thing about it is that it is providence on the part of the individual, not providence supplied by a state that pretends to those paternal feelings that no state can genuinely hold. The best thing about this characteristic of providence is that it is founded on self discipline, an exercise that strengthens not only the individual man but the state of which he is a part.

One billion dollars new life insurance written by one company in 1922, about \$350,000,000 of new savings in the mutual saving institutions of the country, as gathered by the National Association of Mutual Savings Banks—think of these figures not in terms of bulk but in terms of hundreds of thousands of individuals who have been strengthening not only their personal and family estates, but, what is far more important, have been strengthening their mental and moral fibre as men and citizens.

What Are You After, Facts or Conclusions?

BISHOP BUTLER says that the best book which could be written would be a book consisting only of premises from which the readers should draw conclusions for themselves. Yet, most men, it would seem, are impatient of facts—it is conclusions that they are seeking as nearly ready-made as they can get them. They seek other men's interpretation of facts.

And that is the reason why we suffer from so many regrets. Amid the various interpretations of facts that come to us, we take the one that suits us best and the one that most nearly fits into the thing we want to do but would not have done if we had but sought out the facts and reached our own conclusions.

Speaking recently of the composition of government commissions in his country, a leading Canadian statesman declared that they were no longer appointing business men on their commissions because such men had proved a disappointment: yet we have been wont to speak as if many of the ills of government, its wastefulness, its indirection, needed only business men at the head of affairs to overcome them.

It is well to hear the opinions and conclusions of others, but let us not be satisfied until we ourselves have checked them up with the facts, or rather, have started independently with the facts and reasoned therefrom to conclusions. The practice is a good one: Do it in matters that seem of no vital interest to yourself in that you may the more adroitly and successfully handle the problems that affect you.

To the men responsible for credits, this message is of special importance. In them there should be an insatiable searching for facts and a bold and independent reaching for conclusions which they may compare with the conclusions of others but not permit others to make for them.



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Unladen chassis weight, 5500 pounds. Chassis price, \$3100



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